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Japan

General Apologizes Over Missing U.S. Soldier

OW2008052393 Naha OKINAWA TIMES in Japanese
18 Aug 93 Morning Edition p 2

[Text] According to Takayama, director of the Okinawa Governor's Executive Office, Major General Donald R. Gardener, coordinator of the Four U.S. Armed Services on Okinawa, has expressed "deep regret" for the desertion of an American soldier who is suspected of having assaulted a woman. The general told Takayama that he would conduct an investigation into how American military suspects are detained.

Executive Office Director Takayama met with the general and other Marine Corps commanders on Okinawa on 13 August, and conveyed thanks for their decision to close three gun sites used for live-ammunition artillery firing exercises. On this occasion, Takayama requested the prompt rearrest of the now absconded soldier, as well as improved security control of suspects.

In the meeting, Major General Gardener told Takayama: "The Federal Bureau of Investigation (FBI) has begun a search for him across the whole United States. It is only a matter of time before he is caught."

Takayama strongly requested that American suspects be placed under detention. The general replied: "We regret what happened. But in the U.S. Forces, suspects' rights are regarded as important. We hope you will understand that point."

Hosokawa Says No to Forceful Peacekeeping Action

OW2508094793 Tokyo KYODO in English 0849 GMT
25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—Prime Minister Morihiro Hosokawa said Wednesday [25 August] that Japan will not become a "mini-superpower" seeking a permanent seat on the United Nations Security Council in exchange for joining U.N. Peacekeeping that involves the use of force.

"I do not have the slightest intention of following the proposal to make Japan a mini-superpower," the premier said at a House of Representatives plenary session in response to a question by opposition Liberal Democratic Party President Yohei Kono.

Kono, who also argued against such status, said Japan faces the urgent need to choose between two basic diplomatic options.

He described the first as a "constitutional" option that would limit Japan's international contributions to providing economic aid, including dispatch of engineers to help developing nations, while placing a curb on military spending.

The second would be seeking to bolster Japan's international prestige by joining the military phase of U.N. Peacekeeping activities in exchange for obtaining a Security Council permanent seat. He urged Hosokawa to choose the first option.

Hosokawa said, "judging from the complicated international situation, the problem is not as simplistic as choosing between the two options."

He indicated his government will not authorize the self-defense forces to join the military phase of peacekeeping activities. "My administration will maintain the basic policy and stand of previous governments on that matter."

Kono said Japan's postwar policy of keeping military outlays under a certain budget ceiling was a key factor in bringing about Japan's economic recovery and prosperity.

He said seeking mini-superpower status might plunge Japan into an "unhappy situation," by developing a kind of hegemony that would create friction with neighboring countries.

Kono's line of questioning is seen as an indirect reference to a proposal of Ichiro Ozawa, co-leader of Shinseito [Japan Renewal Party], one of ruling coalition parties.

Ozawa, a former LDP secretary general, argues in his best-selling book "Blueprint for Building a New Japan" that Japan would not be regarded by the international community as "a normal country," unless it assumed greater roles in U.N. peacekeeping and peace-making activities.

Kono said, "within Shinseito, there is a powerful argument that calls for Japan to participate in the use of force within the framework of the United Nations." Shinseito is an LDP breakaway formed in late June.

Kono pressed Hosokawa to make clear which political system the premier favors for Japan. Kono asked his preference of three types—a two-party system, or a political community allowing the presence of a neutral third political force or the current multiparty coalition government.

The premier said Japan's political system will be eventually converged into a moderate multiparty coalition entity. He also indicated he does not support arguments that the seven coalition parties should eventually be merged into a single party.

Hosokawa also said he would not back a proposal to field a unified candidate from the seven parties in each single-seat constituency in upcoming lower chamber elections following the expected passage of the proposed electoral reform bill.

The coalition government earlier vowed to secure parliamentary passage of the bill that would replace the

current multiseat electoral districts for the lower chamber with a combination of single-seat constituencies and proportional representation.

"The election strategy of a certain political party should not bind the hands of other parties and each party should be allowed to contend the elections with independent judgments," he said.

Hosokawa also rejected a demand from Kono to reconsider the coalition government's policy of placing a future ban on political donations from businesses.

"Judging from the fact that recurring bribery scandals have had their root causes in donations from business firms, I believe it is appropriate to move to ban such donations," Hosokawa said. However, he hinted that a raise in the rate of a consumption tax on most goods and services sold in Japan—now 3 percent—is possible.

Hosokawa: All War Reparations 'Fulfilled'

OW2508081493 Tokyo KYODO in English 0701 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—Prime Minister Morihiro Hosokawa said Wednesday his recent expression of remorse and apologies for Japan's past military actions does not suggest the need to compensate foreign victims of the Imperial Army before and during World War II.

"All my remarks were reflections of my perception about the last war, and therefore it is not that I made the remarks with the so-called compensation issue in mind," Hosokawa said in the Diet, responding to a question by Yohei Kono, president of the opposition Liberal Democratic Party (LDP).

The prime minister said Japan has fulfilled all requirements for reparations through the 1951 San Francisco Peace Treaty and bilateral agreements, and he has no plan to review the nation's stance on the issue.

"In my policy speech, I expressed a feeling of deep remorse and apologies for the fact that our country's past acts of aggression and colonial rule caused unbearable suffering and sorrow for so many people," he said.

Hosokawa, in his first policy address in the Diet on Monday, expressed remorse and offered apologies for Japan's "actions, including aggression" in the past. It was the first time for a premier to use the words "aggression" and "colonial rule" in referring to the war in an inaugural policy speech, according to a senior government official.

At his first news conference August 10, Hosokawa more candidly described Japan's wartime actions as "a war of aggression."

Hosokawa has since met with protests from conservative LDP politicians for insensitivity to Japan's war dead and survivors who made sacrifices for the nation. He was

also criticized for raising expectations among foreigners seeking compensation for suffering inflicted by the long-defunct Imperial Army.

Over the past several years, a number of Asian victims, among them forced laborers and women made to serve as prostitutes in military brothels, have sought compensation in lawsuits against the Japanese Government.

Since Hosokawa's August 10 remark, Chief Cabinet Secretary Masayoshi Takemura and Foreign Minister Tsutomu Hata have tried to dampen hopes expressed by such people of getting compensation from Japan. The premier's comments Monday are widely seen as a retreat to a more ambiguous evaluation of the war.

In response to a question by Hirotaka Akamatsu, secretary general of the Social Democratic Party (SDP), Hosokawa said Wednesday he will leave to the Diet the matter of adopting a Diet resolution apologizing for Japan's wartime actions. An earlier attempt to pass such a resolution on the 50th anniversary of Pearl Harbor in December 1991 was aborted.

The SDP is the largest among the seven parties that constitute the coalition government which ousted the LDP after 38 years of uninterrupted rule.

PRC Envoy Meets With LDP's Kono 20 Aug

OW2008124593 Tokyo KYODO in English 1206 GMT 20 Aug 93

[Text] Tokyo, Aug. 20 KYODO—Chinese Ambassador to Japan Xu Dunxin said Friday [20 August] China wants to continue cooperative relations with the Liberal Democratic Party (LDP), LDP officials said.

In a meeting with LDP President Yohei Kono at the party headquarters, Xu pointed out that Sino-Japanese ties improved greatly under LDP-led governments and said he wants to maintain friendly and cooperative ties with the LDP, the officials said. Xu said he is relieved that the new government of Prime Minister Morihiro Hosokawa intends to continue the previous government's diplomatic policy, they said.

Kono told the Chinese ambassador the LDP plans to keep a check on the new administration's diplomatic policy from the opposition corner, the LDP officials said. Turning to Xu's request that Kono visit China, Kono responded that he wants to visit soon.

Toyota Plans Help to PRC Auto Parts Firm

OW2008014793 Tokyo KYODO in English 0137 GMT 20 Aug 93

[Text] Tokyo, Aug. 20 KYODO—Toyota Motor Corp. plans to expand technical assistance to a Chinese auto-maker so that the firm can produce auto parts used in locally assembled Toyota vans, Toyota officials said Friday [20 August]. They said the top Japanese auto-maker is also studying the possibility of taking an equity

stake in Gold Cup Automobile Corp., a Shenyang, Liaoning Province-based company that assembles Toyota's Hi-ace van with almost all parts imported from Japan.

The expansion of technical assistance will allow the Chinese company to make key parts, including accelerators and steering equipment, in order to raise the local procurement ratio for Hi-ace, they said.

The Chinese Government lowered its import tariff rate on parts shipped by Toyota for local assembly to 50 percent from 120 percent July 1 on condition that Toyota raise the local procurement ratio to 40 percent from the current 4.5 percent.

Gold Cup automobile assembles about 3,000 units a year with Toyota's technical support and plans to increase production to 20,000 units in 1995.

Gangsters Jailed for Smuggling Chinese Immigrants

OW2008053693 Tokyo KYODO in English 0509 GMT 20 Aug 93

[Text] Kagoshima, Aug. 20 KYODO—Three gangsters received jail terms Friday [20 August] for trying to help 144 Chinese enter Japan illegally in early April.

Presiding Judge Tatsumi Wakasugi at Kagoshima District Court said it was the largest known case of illegal immigration and was premeditated and systematic. He said the three men played a crucial role, conspiring to help the Chinese sneak into Japan through the port of Akune in the western prefecture on April 3 after picking them up in a salmon fishing boat, the No. 38 Nagato Maru, from a Chinese boat on the East China Sea two days before.

Maritime safety authorities intercepted the vessel about a kilometer off Akune and arrested the Chinese for allegedly violating Japan's immigration law.

The three men were arrested later. Takashi Abe, 50, was jailed for 18 months, Shigenao Cho, 52, to 16 months, and Toyokichi Ueda, 39, to 14 months. Abe was said to be a member of a local criminal gang, and the other two belonged to a gang affiliated to the nation's largest crime syndicate, the Yamaguchi-Gumi.

Prosecutors had sought a two-year prison term for Abe, 22 months for Cho and 18 months for Ueda.

The 144 Chinese are detained at the Omura refugee reception center in Nagasaki Prefecture, western Japan, and will soon be sent back to China, officials said. The smuggling attempt was the first to involve a Japanese vessel.

Entourage Named for Emperor's European Trip

OW2008012993 Tokyo KYODO in English 0120 GMT 20 Aug 93

[Text] Tokyo, Aug. 20 KYODO—Former Prime Minister Toshiki Kaifu will head a 20-member official entourage to accompany Emperor Akihito and Empress Michiko on their trip to Italy, Belgium and Germany in September, the Imperial Household Agency said Friday [20 August].

The government of Prime Minister Morihiro Hosokawa chose Kaifu at a Friday morning cabinet session, officials said. It also named 19 officials to be in the entourage from the Imperial Household Agency, the Foreign Ministry and the National Police Agency.

The imperial couple will visit the three European nations from September 3 to 19. While in Rome they will also visit the Vatican and meet Pope John Paul.

In the past, a former prime minister or the incumbent foreign minister has headed the entourage in imperial overseas trips. Foreign Minister Tsutomu Hata, who is also the deputy prime minister, is expected to be busy next month with Diet business, leading to the choice of Kaifu, who currently chairs the Japan-Germany Parliamentarians' League, the officials said.

Then Foreign Minister Michio Watanabe accompanied the emperor and empress on a visit to China last October.

Ministry Plans Studies Center in Indonesia

OW1808101593 Tokyo KYODO in English 0840 GMT 18 Aug 93

[Text] Tokyo, Aug. 18 KYODO—The Japanese Government has decided to provide a 1,381 million yen grant to establish the center for Japanese studies at the University of Indonesia, the Japanese Foreign Ministry said Wednesday [18 August].

The center at Indonesia's most prestigious university will be the nation's main focus for Japanese studies courses and for postgraduate programs, the ministry said. The newly established center aims to train more experts on Japan other than Japanese language specialists.

Ministry Announces Disaster Relief for Venezuela

OW1908122293 Tokyo KYODO in English 1109 GMT 19 Aug 93

[Text] Tokyo, Aug. 19 KYODO—Japan will provide 200,000 dollars to Venezuela to help it recover from a powerful typhoon that recently wreaked havoc in the South American nation, Foreign Ministry officials said Thursday [19 August]. Officials said the pledge of emergency humanitarian aid, which came in response to an

appeal for assistance from Venezuela, will be reported at a cabinet meeting Friday by Foreign Minister Tsutomu Hata.

Typhoon Bret lashed Venezuela on August 7 and 8 with heavy rains that unleashed mudslides that killed up to 100 people, left about 60 missing, another 500 or so injured, and about 11,000 homeless. It was the country's worst natural disaster in 26 years.

The European Community has reportedly donated 172,500 dollars for food and medicine, not including a separate French pledge of 50,000 dollars, and the United Nations Development Program has donated 50,000 dollars to purchase bedding and other items.

'Rank and File' LDP Object to Electoral Reform

OW2408061793 Tokyo KYODO in English 0546 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—Discussions on political reform by a panel of the Liberal Democratic Party (LDP) began Tuesday [24 August], punctuated by strong objections to changing the status quo from rank and file party members, party officials said. In a meeting of the political reform headquarters, LDP President Yohei Kono urged the panel to draw up a counterproposal to the coalition government's proposal by mid-September, saying "political reform is the party's earnest wish."

The LDP made an about-face on reform of elections for the powerful House of Representatives after the party lost its majority in the July 18 general election.

The LDP had insisted before the election on establishing a single-seat constituency system to replace the current system of constituencies with more than one seat.

The party has since agreed to introduce a combination of single-seat constituencies and proportional representation. But party junior members and those who made comebacks in the poll lashed out at the party's decision to latch onto a combination system, saying that the present multiseat system is the best and it is unreasonable to link system renovation with political reform, the officials said.

Others said that the LDP will collapse under the combination system, casting doubts on party's will to recapture power from the coalition government, the officials said.

Nine Arrested for Public Works Bid Rigging

OW1908084593 Tokyo KYODO in English 0808 GMT 19 Aug 93

[Text] Takamatsu, Aug. 19 KYODO—The Takamatsu District Public Prosecutors Office on Thursday [19 August] arrested nine people from seven local construction companies on suspicion of arranging bids for public works in the town of Shirotori in Kagawa Prefecture.

The nine are suspected of conspiring and deciding, ahead of bidding, which company would win the contract and

at what price in a series of nine bids last October for road repair work, officials said. By colluding for higher prices, the suspects allegedly made a profit of tens of millions of yen, the officials said.

Following investigations, the prosecutors now believe the suspects conducted similar rigging more than 100 times in the last five years, they said.

Former Bureaucrats Deny Firms Helped in Election

OW2508145293 Tokyo KYODO in English 0952 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—Most Construction Ministry bureaucrat-turned legislators, elected in the July 18 House of Representatives election, said they were not helped by construction companies in election campaigns, according to a KYODO NEWS SERVICE survey released Wednesday [25 August].

KYODO tried to canvass nine former ministry officials who are currently lower house members but two Liberal Democratic Party (LDP) members refused to answer. Of the seven lawmakers who responded to the survey in mid-August, three are LDP members, another three are from Shinseito (the Japan Renewal Party) and remaining member is from Komeito.

In the July general election, nine former Construction Ministry officials ran and all of them were elected.

Five of the seven respondents denied receiving help in election campaigns from construction firms. The two others received help but said the assistance was limited and their campaigns were not mainly sponsored by construction companies.

Three of the five were vague in their denials. They said that they were unaware of contributions or voluntary help coming from construction firms, or from any of the firm's employees.

In response to criticism over corrupt relations between contractors and politicians, the construction industry announced before the election that it would not provide personnel and financial assistance for candidates. However, five employees of a major construction company had been arrested in connection with illegal campaigns in the recent election of Hiroshi Mitsuzuka, former chairman of the LDP's Policy Affairs Research Council.

In addition, a governor and two mayors were recently indicted for allegedly receiving bribes from construction companies in return for favorable treatment in bidding for public works contracts.

Six of the seven respondents said that while they worked for the Construction Ministry they were never approached by contractors seeking favorable treatment in bidding for public works. The one who admitted being approached by a contractor said he passed on to a local

administration the firm's hope for getting the contract but did not know the outcome of the case.

Poll: Local Governments Favor Decentralization

*OW2108113093 Tokyo KYODO in English 0920 GMT
21 Aug 93*

[Text] Tokyo, Aug. 21 KYODO—Most of the country's major local governments expect Prime Minister Morihiro Hosokawa to take the initiative in decentralizing power, according to a survey conducted by KYODO NEWS SERVICE and released on Saturday [21 August].

Of 59 heads of local governments, comprising 47 prefectures and 12 major cities, 19 said that the Hosokawa administration should set up basic laws aimed at propelling the long-awaited decentralization of the government's administrative power, the survey found.

On the process of determining plan specifics, governors of seven prefectures proposed establishing a consultative body made up of third parties to preclude the influence of bureaucrats, the survey said.

Many of the chiefs said that they want the government to transfer rights for screening to local governments on such items as urban projects, land development, establishment of welfare facilities for the aged and educational institutions, it said.

The seven-party coalition government under Hosokawa has given decentralization of the government's power an equal priority with political reform. The ad hoc commission on administrative reform, an advisory body to the prime minister, has wrestled with the decentralization issue over the years, hoping to make Japan's administrative systems less rigid.

Justice Minister Protests Over Magazine Article

*OW2008063093 Tokyo KYODO in English 0607 GMT
20 Aug 93*

[Text] Tokyo, Aug. 20 KYODO—Justice Minister Akira Mikazuki said Friday [20 August] he had lodged a protest with a magazine publisher over an article alleging he is a secret agent of the Soka Gakkai Buddhist organization. Mikazuki, one of two nonpolitician members in the cabinet of Prime Minister Morihiro Hosokawa, told reporters that he presented a note of inquiry to Shinchosha Co. through the ministry as his honor is involved.

The August 26 edition of the weekly magazine SHUKAN SHINCHO said Mikazuki, a professor emeritus at Tokyo University, is a secret agent of Soka Gakkai, a major supporter of Komeito, one of seven ruling coalition parties.

The article said Mikazuki's appointment to the post of justice minister is a powerful reinforcement for Soka Gakkai, which has been tackling suits against it. Mikazuki and the lay organization have close relations, it said.

Mikazuki said he once wrote an opinion piece on the organization at the request of a fellow professor.

Official: New 'Maekawa Report' To Be Compiled

*OW1908111893 Tokyo KYODO in English 1028 GMT
19 Aug 93*

[Text] Tokyo, Aug. 19 KYODO—A ranking Finance Ministry official said Thursday [19 August] the government will work out by the end of the year a package intended to reform Japan's economic structure.

The new "Maekawa Report" will be probably written by an advisory body to Prime Minister Morihiro Hosokawa to be formed shortly, the official said.

Economic-related ministers decided during their emergency meeting earlier in the day to map out a set of measures for economic reforms in Japan.

The report, named after former Bank of Japan Governor Haruo Maekawa, was formulated in 1986 under the government of Yasuhiro Nakasone in order to promote Japan's economic restructuring.

Hiraiwa To Lead New Council

*OW2508035193 Tokyo KYODO in English 0322 GMT
25 Aug 93*

[Text] Tokyo, Aug. 25 KYODO—Gaishi Hiraiwa, head of the Federation of Economic Organizations (Keidanren), will lead a new government advisory panel that will draw up a report for a sweeping overhaul of Japan's economic structure, government sources said Wednesday [24 August].

The sources suggested that Hiraiwa, one of the most influential businessmen in Japan, has accepted Prime Minister Morihiro Hosokawa's request that he head the private council to compile a new "Maekawa report." The council is expected to examine ways to make the Japanese economy more oriented toward growth led by domestic demand in the face of growing criticism of Japan over its towering trade surplus.

The "Maekawa report" was drawn up in 1986 by former Bank of Japan Governor Haruo Maekawa. On Tuesday, Hosokawa said he will soon establish the council to compile the report by the end of the year.

Hiraiwa, former president and chairman of Tokyo Electric Power Co., has been Keidanren chairman since 1990. He also heads the economic council, an advisory body to the prime minister.

Ministry Eyes International Telephone Rate Cut

*OW1908132293 Tokyo KYODO in English 1305 GMT
19 Aug 93*

[Text] Tokyo, Aug. 19 KYODO—Posts and Telecommunications Vice Minister Futoshi Shirai said Thursday

[19 August] the ministry will consider reducing international telephone charges as part of an effort to pass on to consumers exchange benefits from a strong yen. Transfer of the windfall profit to the Japanese people will be the centerpiece of the government's new pump-priming package to be worked out by mid-September.

The posts ministry is currently studying the scale of the exchange profits being enjoyed by Kokusai Denshin Denwa Co. (KDD), the largest international telephone company in Japan, and its two rivals—International Digital Communications Inc. (IDC) and International Telecom Japan Inc. (ITJ), Shirai told a press conference.

KDD wants to cut rates around this autumn in order to narrow the rate gap with IDC and ITJ. But it is uncertain whether or not the earnings positions of IDC and ITJ are strong enough to tolerate rate cuts.

KDD, which reported a 2.6 billion yen profit from a higher yen in the year which ended in March, is expected to chalk up larger gains in the current year.

Posts Ministry To Cut New Time Deposit Rates

OW2008103993 Tokyo KYODO in English 1016 GMT 20 Aug 93

[Text] Tokyo, Aug. 20 KYODO—The Posts Ministry said Friday [20 August] it will cut interest rates on fixed-amount and new time savings at post offices on Monday.

The rates on fixed-amount savings with maturities of six months and longer will be lowered a uniform 0.1 percentage point, the Ministry of Posts and Telecommunications said. Those on new time deposits of less than 10 million yen, except those with a period of less than three months, will decline by 0.05-0.10 percentage point, the ministry said.

Trade Union Confederation Wants Income Tax Cut

OW2008105193 Tokyo KYODO in English 1002 GMT 20 Aug 93

[Text] Fujiyoshida, Yamanashi Pref., Aug. 20 KYODO—Etsuya Washio, vice president of the Japanese Trade Union Confederation (Rengo), urged the government Friday [20 August] to carry out income tax cuts as part of economic pump-priming measures.

Washio, addressing a meeting of employers, said Rengo will press the coalition government of Prime Minister Morihiro Hosokawa to implement tax cuts exceeding 5 trillion yen. He said the tax cuts should be carried out ahead of an overhaul of the taxation system, and financial revenues to cover the tax cuts should be generated through short-term government bond issues redeemable in three to four years.

He predicted the Hosokawa government will stay in office for about two years.

While the new government's priority task of political reform is expected to be accomplished by the end of this year, its destiny hinges largely on whether it succeeds in restoring the domestic economy, he said. To attain this goal, he said, the government should enlist support of the business community for the establishment of a new socioeconomic system.

New Chamber of Commerce Chairman Urges Tax Cuts

OW2408052493 Tokyo KYODO in English 0440 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—The newly elected chairman of the Japan Chamber of Commerce and Industry called Tuesday [24 August] for income tax cuts as early as possible. Kosaku Inaba told a news conference after his election that income tax reduction is an important issue which has to be carried out ahead of an overhaul of the taxation system currently being studied by a government advisory panel.

Inaba, president of Ishikawajima-Harima Heavy Industries Co., also urged the government to initiate a comprehensive pump-priming package as soon as possible. He called on the government to expedite deregulation in the import, distribution and retail fields to pass on foreign exchange gains to consumers.

Inaba expressed hope the government would have the Bank of Japan lower the official discount rate if it considers it effective for economic recovery, saying the domestic economy has worsened because of the steep appreciation of the yen and an unusually wet and cold summer.

Inaba was elected to a two-year term as chairman of the chamber. He succeeded Rokuro Ishikawa, chairman of Kajima Corp., a major construction company, who stepped down following a scandal stemming from questionable political donations by general contractors. Ishikawa will serve as honorary chairman of the chamber.

Hosokawa on Study of Consumption Tax Hike

OW2508124793 Tokyo KYODO in English 1156 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 KYODO—Prime Minister Morihiro Hosokawa told the Diet Wednesday [25 August] his government will study the possibility of raising the 3 percent consumption tax, a remark giving impetus to a comprehensive reform of the taxation system.

The Hosokawa statement comes as the government's tax commission is set to begin discussions on tax reforms next week. They will come up with recommendations by November.

Hosokawa said the tax study is aimed at establishing a balanced taxation system.

The commission's discussions will focus on a readjustment of the ratio of direct to indirect tax revenues, including a hike in the consumption tax rate in exchange for an income tax reduction, government sources said. They said the commission is expected to recommend income tax cuts worth about 5 trillion yen, beginning in fiscal 1994, which starts on April 1.

The planned revision of the consumption tax rate, however, is expected to face stiff opposition from the Social Democratic Party and Komeito [Clean Government Party] within the coalition government, the sources said.

The Social Democrats have called for the abolition of the consumption tax. Komeito said it is not advisable for the government to tinker with the consumption tax ahead of the next general election, which may come as early as next year.

Political sources said the Hosokawa government may abandon a hike in the consumption tax if it faces strong negative public reaction.

Ministry: No Need for More Stimulus Measures

*OW2508093593 Tokyo KYODO in English 0920 GMT
25 Aug 93*

[Text] Tokyo, Aug. 25 KYODO—A senior Finance Ministry official reiterated Wednesday [25 August] there is no need for immediate, additional fiscal or monetary stimulus measures for the economy.

The official said he "is confident" that conditions will improve once pump-priming programs already adopted are adequately implemented. He said his reading of a recent poll conducted by the NIHON KEIZAI SHIMBUN, a leading economic daily, is that less than 30 percent of those surveyed called for income tax cuts, while 60 percent were against floating deficit-financing bonds, which would be necessary to cut taxes under tight fiscal conditions.

Citing lower market interest rates, he said effects of the latest reduction of the official discount rate to its current historical lows have effectively permeated the economy.

The official refrained from commenting further, however, on what the government will do if major economic statistics, expected out next month, show the economy is still considerably weak.

A quarterly business survey by the Bank of Japan and the second quarter report on the gross national product are both expected to be announced in September.

Small, Medium Service Firms Reduce Investment

*OW2508081693 Tokyo KYODO in English 0720 GMT
25 Aug 93*

[Text] Tokyo, Aug. 25 KYODO—Small and medium-sized companies in the commerce and service sectors reduced their planned capital investment for fiscal 1993

by steep double-digit rates from the preceding year, a government agency said Wednesday [25 August].

The small and medium enterprise agency said such companies in the commerce sector planned capital investment of 1,286.8 billion yen as of June 1 for the current fiscal year ending next March. The investment represents an annual 11.6 percent drop, said the agency under the wing of the Ministry of International Trade and Industry.

The planned capital investment at smaller firms in the service sector amounted to 965.5 billion yen, down 16.1 percent. This was the first double-digit decline since fiscal 1986. The agency obtained the results through a survey it conducted on 27,000 small and medium-sized firms June 1.

By industry, wholesale companies planned a total of 659.2 billion yen in investment, down 13.1 percent from the preceding year, posting a double-digit fall for the second consecutive year. Retailers planned to cut investment by 9.9 percent from the previous year to 627.6 billion yen.

In the service sector, information service firms deeply cut their planned investment by 32.6 percent and lease companies by 31.3 percent.

The agency also reported the actual capital investment in fiscal 1992 at small and medium-sized companies in the commerce sector declined for the second straight year by 9.3 percent from the previous year to 1,455.2 billion yen—the biggest fall since 1980.

Investment by service companies amounted to 1,150.3 billion yen, down 4.7 percent for the second consecutive yearly drop.

Ministry Plans To Cut Train, Airport Spending

*OW2408195893 Tokyo KYODO in English 1241 GMT
24 Aug 93*

[Text] Tokyo, Aug. 24 KYODO—The Ministry of Finance plans to revise its longstanding policy of allocating large chunks of public works spending for "shinkansen" bullet trains, airports and other big infrastructural projects, ministry officials said Tuesday [24 August].

Instead, the ministry plans to focus more on sewers, parks, housing, and railway and road systems in the fiscal 1994 budget in line with the consumer-oriented policy advocated by the new government of Prime Minister Morihiro Hosokawa, the officials said.

On the basis of the new fiscal policy, when compiling the budget for the year starting next April [words indistinct] or augment budgetary requests from government agencies. Such budgetary requests are to be submitted at the end of this month.

Hosokawa, in his first policy address since his coalition government was formed August 9, said Monday he plans to shift the focus of public works spending from basic economic development to those areas that contribute to upgrading the quality of life.

The officials said consumer-oriented projects qualifying for increased allocations are those which are directly related to the everyday life of the people and not connected with development of industrial infrastructure. They include works on housing, sewage, parks and environmental hygienics, they added. On the other hand, those sectors facing reduced funding are new trunk railway lines, fishing ports, airports, expressways and agricultural infrastructure.

One official indicated that three out of five planned shinkansen railway projects now under way will not be suspended outright but will suffer budget cuts. "We have to consider profitability above all," the official said.

With an estimated combined cost of more than 2 trillion yen, the three projects in Hokuriku and Tohoku, both in northern Japan, and Kyushu in western Japan have been progressing slowly with only 10 percent of the planned trackage completed. In the current fiscal year, the schemes together secured 17.7 billion yen in funds.

Past shinkansen railway projects like the Joetsu and Tohoku lines have left the nation saddled with 26 trillion yen worth of long-term debt, a fact which has led some officials to think that such big projects are a waste of money. The officials also pinpointed ports and expressways as works which should be scaled down, arguing that the country is already sufficiently equipped with those types of infrastructure.

Many officials also believe the government should no longer boost subsidies for farmers and fishermen who are already heavily protected.

Ministry: Emergency Rice Imports 'Likely'

OW2208053193 Tokyo KYODO in English 0442 GMT 22 Aug 93

[Text] Tokyo, Aug. 22 KYODO—Japan is likely to make emergency imports of rice to make up for the poor crop that is almost certain to result from this year's cool summer weather, according to Farm Ministry sources.

The sources said most rice plants have still not formed grains in major rice-growing areas in the prefectures of Hokkaido, Aomori and Iwate in northern Japan. Usually, grains start forming from around mid-August to August 20 in these areas.

In Hokkaido, only about 10 percent of rice plants had started forming grains by August 18, the sources said. In Aomori the rate was 4.5 percent by August 20, compared with the usual rate of 92.3 percent, and in Iwate it was 14 percent compared with about 90 percent.

The marked delay in the forming of grains is due to a long rainy spell and an unusually cool summer—the coolest in 40 years—combined with the nationwide spread of rice blight. It means supplies of rice will become tight in the summer and autumn of next year, the sources said.

This in turn is likely to force the government to soften its policy of reducing the area under cultivation and consider emergency imports of rice, they said. Currently Japan effectively bans imports of rice on grounds of maintaining a stable supply of its staple food.

'Irregular' Weather Blamed

OW2408200493 Tokyo KYODO in English 1404 GMT 24 Aug 93

[Text] Tokyo, Aug. 24 KYODO—This year's irregular weather may result in the second-worst harvest of the nation's staple food, rice, possibly leading to emergency imports, Farm Ministry sources said Tuesday [24 August].

The sources said the possible emergency imports, the second ever if they take place, would greatly weaken Japan's standing in ongoing global trade talks.

The sources said this year's rice harvests may be the second poorest since the end of World War II, following those recorded in 1953, with the crop index expected to fall below the previous second-worst 87 registered in 1980. The index for 1953 was 84. With the expected crops at this level, the sources said, rice supplies for the next "rice year" starting in November cannot satisfy the estimated demand of 9.95-10.05 million tons even if 350,000-450,000 tons in inventory are added.

This could force Japan to import rice, a situation not seen since 1984 when the country bought rice from South Korea in the first such action ever after several years of poor harvests. Importing rice at this moment would be embarrassing for Japan as the nation has vowed to retain a ban on rice imports at the Uruguay Round of multilateral trade talks, the sources said.

Comparing the current year with 1980, the sources said 1980 saw a similarly cold summer and shortage of sunshine. The sources pointed out, however, that 1980 was blessed with good weather in June, whereas days of fair weather have been rare since June this year. "Judging only from the weather, this year is worse than '80," a source said.

The rice-crop index allows comparison of a particular year's harvest with a "standard year." If the index is between 99 and 101, the year's crops are considered to be normal, with 500 kilograms of rice expected per 10 ares of rice field. An index between 95 and 99 indicates the crop will be "somewhat poor," while one below the level shows that harvests will be "poor."

Officials of the Agriculture, Forestry and Fisheries Ministry's Statistics and Information Department said that

as of August 15 when the ministry conducted a harvest study, most rice had not yet even put forth ears. Usually, almost all rice in the eastern part of Japan and 30-50 percent of rice planted in western Japan come into ear by this time of the year. The ministry will announce the results of the year's first rice crop survey Friday.

Meanwhile, some of the nation's rice distributors have already called for the government to declare as early as possible that the country will import rice if the supplies fall short of demand in order to head off possible confusion in the market. Reflecting the possible shortage of rice, prices of 1992 "jiyu-mai" (literally "free rice") sold outside government-approved channels have already been soaring.

Mongolia

Official: Ulaanbaatar Desires 'Taiwan Experience'

OW1608152393 Taipei CNA in English 1415 GMT 16 Aug 93

[Text] Ulaanbaatar, Aug. 16 (CNA)—A high-ranking Mongolian official has said that Mongolia considers the "Taiwan experience" the best available model for its own economic development. D. Gotov, president of the Mongolian Association for Economic Cooperation With Pacific Countries and Regions, made the remarks in an interview with the CENTRAL NEWS AGENCY. He said that Taiwan's small- and medium-enterprise system is just what Mongolia, formerly a communist state under Soviet control, wants.

Gotov said that he will visit Taipei next month to seek economic and cultural cooperation with Taiwan. He also said that Mongolia will send a delegation of 60 officials, scholars and business leaders to Taiwan in December to study Taiwan's development model.

"Mongolia will be able to enter the market-oriented economy five years from now if it can successfully copy the Taiwan experience," Gotov pointed out. He said that Mongolia has enacted laws to protect foreign investors, and it welcomes Taiwan investment in the fields of power generation, transportation, food and fur processing and machinery production.

Southern Gobi Province Eyes Cooperation With Taiwan

OW0408144293 Taipei CNA in English 1354 GMT 4 Aug 93

[Text] Southern Gobi, Mongolia, Aug. 4 (CNA)—Southern Gobi Province of Mongolia is seeking economic cooperation with Taiwan, Provincial Governor Mijiddorj said Wednesday [4 August].

Mijiddorj said that as Mongolia moves toward a democratic political system and free market economy, his province needs external assistance to accelerate its development. He said his province is rich in coal, copper,

aluminum, gold and rare stones and offers beautiful scenery in tropic, semi-tropic, temperate and frigid zones.

Mijiddorj said his province seeks joint ventures with Taiwan's small and medium businesses, especially in such areas as power generation, road development, textiles, fur and food processing, mineral extraction and tourism.

Southern Gobi, which borders Inner Mongolia, is the largest province of Mongolia. The province boasts a land area of 180,000 square meters and a population of only 50,000.

Veterans Seek Better Services for Disabled

LD0608193093 Moscow ITAR-TASS World Service in Russian 0830 GMT 6 Aug 93

[By ITAR-TASS correspondent Kim Boldokhonov]

[Text] Ulaanbaatar, 6 Aug—Mongolian President Punsalmaagiyn Ochirbat and Prime Minister Puntsagiyn Jasray today met with Mongolian war and labor veterans at Government House in the capital. During the conversation, arranged at the veterans' request, the leaders were handed a petition.

The document asks the government to do several things to relieve the socio-economic plight of those too old for active work. It calls for pensions and benefits to be increased, for main food items to be issued at moderate prices on a ration-book system, for the enactment of a law on war and labor veterans, and for the Mongolian Veterans' Federation to be placed under state patronage.

The Mongolian leaders also received today a letter from the main council of the Mongolian Society of the Disabled, of whom there are 24,600. The letter recommends that as the years 1993 to 2003 have been declared the Decade of the Disabled in Asia and the Pacific, a national committee be set up with the president's wife at its head. It also urges that a central clinic for the disabled be opened; that the present scattered societies be replaced with a single organization for the disabled with membership of the appropriate UN body of the countries of Asia and the Pacific. Mongolia's veterans also intend setting up a small enterprise with a kindergarten and school attached.

North Korea

Agreement Adopted With U.S. on MIA Remains

SK2508113593 Pyongyang KCNA in English 1041 GMT 25 Aug 93

[Text] Pyongyang, August 25 (KCNA)—An agreement on the question of remains of U.S. soldiers which was signed by delegates of the Korean People's Army side and the "U.N. forces" side was exchanged and effectuated at Panmunjom on August 24.

Working-level contacts between the sides were held behind closed doors at Panmunjom on scores of occasions in the past for the adoption of the agreement.

The agreement stipulates the procedures and ways of the survey and unearthing of remains of U.S. soldiers and their delivery, the question of bilateral cooperation in unearthing the remains and the question of forming a working group to implement the agreement.

It was signed by Maj. Gen. Yi Tok-kyu of the Korean People's Army and Maj. Gen. Nels Running of the U.S. Air Force.

KCNA Reports 23 Aug U.S.-ROK Air Exercises

*SK2508051593 Pyongyang KCNA in English 0421
GMT 25 Aug 93*

[Text] Pyongyang, August 25 (KCNA)—Scores of nuclear-capable F-16s and assault and pursuit-assault planes taking off from the U.S. imperialists' bases overseas and the extra-large carrier Independence on August 23 staged an exercise of intensive surprise bombing on targets in the strategic in-depth area of the northern half of Korea in coordination with hundreds of puppet air-force warplanes in the skies above Pyongchang, Umsong and Anmyon islet, South Korea, according to military sources.

Earlier, on the same day, a Pacific-based KC-135 tanker plane of the United States flew into the sky above the sea off Kunsan for a mid-air refueling of scores of fighter-bombers in a war game.

In separate action that day, a tank group of the South Korean puppet army moved toward the Demilitarized Zone (DMZ) along the Military Demarcation Line from Sikhyon-ri, Paju County, Kyonggi Province, firing scores of shells, and large-calibre artillery units and armed bandits of the puppet Army took positions in Chorwon County, South Korean Kangwon Province, and Yonchon and Paju Counties, Kyonggi Province, and fired more than 200 shells and 1,000 large-calibre machinegun and automatic rifle bullets into spots near the DMZ.

SKNDF Pyongyang Chief Interviewed on Anniversary

*SK2508051793 Pyongyang KCNA in English 0431
GMT 25 Aug 93*

["Press Interview on 24th Founding Anniversary of Hanminjon"—KCNA headline]

[Text] Pyongyang, August 25 (KCNA)—Cho Il-min, chief of the Pyongyang Mission of the South Korean National Democratic Front (SKNDF) (Hanminjon), was interviewed by KCNA here on August 24 on the occasion of the 24th founding anniversary of Hanminjon.

Referring to the founding of the Revolutionary Party for Reunification, the predecessor of Hanminjon, he said its foundation in Seoul on August 25, 1969, was a historical

event of epochal significance in the South Korean people's movement for a social change and with it the South Korean people came into possession of an organization representing their true will and interests, their genuine defender, and the struggle of the patriotic people for independence, democracy and reunification entered into a new signal phase.

Noting that the Revolutionary Party for Reunification was expanded and developed into Hanminjon on July 27, 1985, to cope with the new situation following the Kwangju resistance, he said the 24 years covered by Hanminjon was a course of proud struggle in which vanguard fighters, under the loving care and trust of patriotic people, have undauntedly cut the way of anti-U.S., anti-fascist movement for reunification, in the teeth of the U.S. imperialists' most heinous colonial fascist repression and bayonet.

He went on:

"Our Hanminjon, together with the patriotic people of all strata, will actively fight to strip the Kim Yong-sam 'regime' of its 'civilian' veil and briskly wage the struggle to build a genuine democratic society in which the 'National Security Law' is scrapped and all the patriotic organizations including Hanminjon is ensured their legal activities.

"Our Hanminjon will more vigorously fight to get the U.S. aggression forces and nuclear weapons, the enemy of reunification and chieftain of fascist rule, withdrawn without delay and start a new struggle to destroy all the fascist laws including the 'National Security Law' and all the fascist repressive machines such as the 'Security Planning Board' and the 'Secret Affairs Command'."

He stressed that Hanminjon would lead to victory at any cost the struggle to drive the U.S. imperialists out of South Korea for good and build a peaceful, reunified country free from nuclear weapons, joining force with all the democratic patriotic forces, consolidating the ideological and purposeful unity and cohesion of its ranks on the basis of the immortal chuche idea.

Papers Mark Anniversary of Ties With Egypt

*SK2408111893 Pyongyang KCNA in English 1027
GMT 24 Aug 93*

["Diplomatic Relations Between Korea and Egypt 30 Years Old"—KCNA headline]

[Text] Pyongyang, August 24 (KCNA)—Papers here today dedicate articles to the 30th anniversary of the establishment of diplomatic relations between Korea and Egypt (August 24, 1963). NODONG SINMUN in a signed article points out that the establishment of diplomatic relations between the two countries marked an important occasion in developing the friendly and cooperative relations between the two peoples. The Korean and Egyptian peoples have supported and cooperated

with each other in the efforts to build a new society after the establishment of diplomatic relations, the paper says, and goes on:

The Egyptian people have made great achievements in the work for consolidating the stability of the country and building a prosperous new Egypt under the correct leadership of President Muhammad Husni Mubarak. Egypt is striving to strengthen unity among Arab nations and solve the Middle East problem in a peaceful way.

We wish the friendly Egyptian people a good fruition in their efforts to achieve the independent development of the country and guarantee peace in the Middle East.

MINJU CHOSON in a signed article says that the Korean people, believing that the friendly and cooperative relations between the two countries would strengthen and develop, wish the Egyptian people new success in their work for the development and prosperity of the country.

Kim Il-song-Yi In-mo Ties Show Leader-People Bond

*SK2508015993 Pyongyang KCNA in English 1519
GMT 24 Aug 93*

["The Leader and Yi In-mo"—KCNA headline]

[Text] Pyongyang, August 24 (KCNA)—The leader and the people are interlinked by unbreakable bonds of kinship in the Democratic People's Republic of Korea.

The dear leader Comrade Kim Chong-il said:

"The noble benevolence of the leader finds clear expression in his deep love of comrades."

On July 23, people were moved to tears, seeing on the TV screen the great leader President Kim Il-song in company with senior party and state officials meeting Yi In-mo, a veteran of the fatherland liberation war, who was participating in the National Conference of War Veterans.

The great leader was very happy to see Yi In-mo whose health was improved remarkably in a few months in the embrace of the DPRK, although he had been an invalid who could hardly move his body in South Korea due to brutal tortures and persecution by the enemy for more than 40 years. President Kim Il-song said this was thanks to the embrace of the great socialist motherland, the warm and benevolent loving care of the party and the sincere help of revolutionary comrades.

Yi In-mo who won the battle with the enemy is a paragon of the indomitable member of the Workers' Party of Korea with an unshakable faith and strong will, the great leader said, expressing the belief that Yi In-mo would recover his health completely at an early date and devote his remaining days to the noble cause of national reunification and prosperity.

As Yi In-mo often says, recalling the past, he could keep the faith in socialism in South Korean prison for dozens of years because he had a mental pillar, the creed that our leader is best and our party is best.

Before the liberation of the country, Yi In-mo firmly believed that it was only our leader waging the great anti-Japanese war who would liberate the country lost to the Japanese imperialists. After liberation, he devotedly worked to implement the great leader's line of building a new country, regarding it most correct.

When the U.S. imperialists unleashed a war, he joined the Korean People's Army as a war correspondent in hearty response to the leader's call for destroying the enemy. But he was fatally wounded and taken prisoner by the enemy.

In 1968 when nobody knew whether Yi In-mo was alive or dead, President Kim Il-song granted a martyr's certificate to his family, expressing absolute trust in Yi In-mo. When it was known that he was alive and he had fought an unyielding struggle in prison for 34 years, the president felt very happy, saying that he was right in trusting the man and decided to award the title of Hero of the Republic to him in high appreciation of his patriotic faith and will.

The president told officials on every occasion that Yi In-mo is a true faithful subject and the incarnation of faith and will and that there would be no such person in the world as him with so unshakable a faith and so strong a will.

The president, taking it to heart that the old man was suffering from illness at the tip of South Korea, not abandoning his patriotic will for reunification for more than 40 years, took measures to bring him back to Pyongyang where his wife and daughter were waiting for him.

At last, a historic agreement on the repatriation of Yi In-mo was reached at Panmunjom on March 16 and it was realised on March 19.

President Kim Il-song, mindful that he might be greatly shocked at the enthusiastic welcome of the people across the country and a dramatic reunion with his family after crossing Panmunjom, sent a competent medical team of cardiac and resuscitation systems there and saw to it that a helicopter followed the ambulance for an unexpected mishap.

After the repatriation, the president let him be taken to a branch of the Korean Red Cross General Hospital equipped with a strong medical group and modern facilities and acquainted himself every day with the health conditions and treatment of the old man during his hospitalisation.

With his paternal affection as the stimulant of revival, the old man who was on the verge of death with his flesh lacerated, bones broken, body functions destroyed or damaged on top of shrinkage, retrogression, paralysis

and extreme malnutrition caused by a long time of prison life, began to revive miraculously.

On April 15, his birthday, President Kim Il-song called on Yi In-mo at the hospital when all peoples were extending blessings to him.

Yi In-mo, who met in hospital the general he had wished to see for more than 40 years, told the president, his mental support and the source of his will: "General, I am sorry... I could not visit you first... and offer you greetings.... Today is your birthday, but you have come to see me.... Thank you very much and I am sorry."

President Kim Il-song acquainted himself with the treatment and told Yi In-mo to fight disease valiantly and get well soon and attend the military parade marking the 40th anniversary of the victory in the fatherland liberation war.

With this love and trust as cure-all, Yi In-mo restored his health miraculously, though some officials of the South side predicted at the time of his repatriation that he would remain alive, if fortunate, till he reached Pyongyang.

He left hospital some time ago and now enjoys a happy life with his family, going round various places including the capital city of Pyongyang amid the blessings of all people of the country.

'Mysterious Changes' in Skies Help Spread Legend

SK2408133293 Pyongyang Korean Central Broadcasting Network in Korean 2200 GMT 21 Aug 93

[Text] Recently, a new revolutionary legend deeply moving everyone's heart is spreading among people in many parts of the country. This revolutionary legend concerns the natural phenomenon of the mysterious changes in skies above Mt. Paektu, Pyongyang and Kaesong City on the occasion of the 40th anniversary of the victory in the fatherland liberation war. It is a story pieced together and generally systemized from many different anecdotes from various parts of the country in the process of spreading among the people.

The story, like the Mt. Paektu legends during the anti-Japanese revolutionary struggle period, summed up in the phrase "When Korea is determined, heaven works wonders," ardently reflects our people's thinking which is based on concrete facts and experience. Currently, our people enjoy talking about the revolutionary legend to and from work, during work breaks, and on trains or buses.

The legend goes as follows: Late in July 1993, our people were paying special attention to the weather as they were preparing for grand celebrations of an unprecedented scale with the approach of the 40th anniversary of the victory in the fatherland liberation war. People from all walks of life throughout the nation, not to mention the residents of Pyongyang, were glued to their radios and

TV sets for the weather forecast. Many meteorological observation stations including the Central Meteorological Observatory received numerous telephone calls, telegrams, and letters inquiring about the weather forecast.

Meteorology specialists devoted all their wisdom and passion to observing and predicting weather for around 27 July in Pyongyang and throughout the country. Contrary to our people's expectations, scientific observation data and calculations forecast over 70mm of heavy rain for Pyongyang on 26 and 27 July. European regular weather forecast centers and Asian regional regular weather forecast institutes also forecast that 30 to 50mm of rain would fall on the 26, and 60 to 80mm on 27 July in all parts of the country including Pyongyang.

Foreign guests, the world's revolutionary soldiers of comrade-in-arms, and progressive people who visited our country to attend the celebrations of the 40th anniversary of the victory in the fatherland liberation war expressed concern about the weather. Imperialists and reactionaries viciously raved that our war victory day festivities would not go according to plan.

As predicted, much rain fell on July 23, 24, and 25 in Pyongyang and throughout the country. In spite of the rain, preparations for the festivities were carried out vigorously as scheduled. Then the auspicious news that an unprecedented round rainbow had appeared in the sky of Mt. Paektu spread throughout the country quickly as though it had wings.

Rain which had fallen on Mt. Paektu for several days stopped early on the morning of 25 July. As the beautiful morning bud blossomed, the blue sky appeared, and the sun rose. Under the brilliant sunlight, a 100-ri seven-colored glistening round rainbow appeared around 9:30 AM [0030 GMT] and circled around Changgun-pong and Hyangdo-pong for 30 minutes until 10:00 AM.

In Pyongyang, the rain which had begun falling on the afternoon also let up for a while and the sky opened brightly showing beautiful twin rainbows in the sky above the monument for the victory in the fatherland liberation war which our people had built to celebrate the 40th war victory day.

The round rainbow linking Mt. Paektu's Changgun-pong and Hyangdo-pong seemed to predict fine weather for the war victory festivity days that were to be celebrated in the presence of the two great leaders [widaehan yongdoja]. The twin rainbows in the sky above the monument of the victory in the fatherland liberation war seemed to engrain our people's limitless joy and happiness on the day of the monument's dedication ceremony.

The hope that people bore watching the rainbows turned mysteriously into reality the next day on 26 July. It had rained all night before and layers of dark clouds lined the sky in the morning. Pyongyang's sky which had darkened the hearts of people on their way to the site for the dedication ceremony of the monument of the victory in

the fatherland liberation war, began to clear up before the time set for the dedication ceremony. The moment the great leader and our comrade supreme commander arrived at the ceremony site, the brilliant sun's rays mysteriously lit up the heads of the attendees from the sky above the monument of the victory in the fatherland liberation war.

The wondrous scenes appeared more clearly on 27 July, the war victory day. The sky above Pyongyang was painted blue when the rain, which poured all night long, had stopped and the day dawned. The red morning glow continued to rise from the eastern edge of the sky. At the historic revolutionary site of Mangyongdae, at around 5:20 AM when the sky was painted red, a beautiful twin rainbow rose in the sky above the historic hometown and shed its seven-colored glistening rays until 5:30 AM.

Almost at the same time, in the sky above the Kim Il-song Plaza, white pigeons flew around, and a twin rainbow which seemed to have been brought by the pigeons, appeared at around 5:25 AM and stayed until around 5:40 AM. The twin rainbow, with one end on the riverside of the Taedong River near the May Day Stadium, and another end in the riverside of the Potong River in front of Changgangwon, rose high in the plaza. Together with the morning glow, this twin rainbow formed the ultimate beauty of the world.

At around 5:50, when the twin rainbow disappeared from the sky above Pyongyang, an unprecedentedly mysterious round twin rainbow—a small round twin rainbow overlapped by a larger round twin rainbow—appeared in the sky above Yonnung-ni, Taepung County southwest of Mt. Songak in Kaesong city, and stayed for about 10 minutes.

A few hours later, just before the military parade of military schools at all levels of the Korean People's Army, the Worker-Peasant Red Guards and the Red Youth guards, and a mass demonstration were about to take place at the Kim Il-song Plaza in celebration of the 40th anniversary of the war victory, the sun shined brilliantly in the sky above the plaza, and a cool day, instead of usual sultriness of summer, began. The participants of the parade and the mass demonstration, overwhelmed by excitement and emotions, displayed the might of singlehearted unity and marched on vigorously.

In the afternoon, the rain also stopped at the time to coincide with soirees to be held at the May Day Stadium in the capital and each provincial capitals. Celebration fireworks decorated the clear sky brilliantly, like confetti of glory presented to the great sagacious commanders [widaehan yongjang] by the victorious people.

During the days celebrating the 40th anniversary of the victory in the fatherland liberation war, the mysterious phenomena, in which brilliant rainbows rose in various historical places of the country and cloudy or rainy weather cleared up before the festivities, were nature's

wonders that took place in accord with Korea's determination. If Korea makes a decision, even heaven presents wonders and weather changes mysteriously.

The determination of Korea is made by a legendary great man who is gifted with second sight. The peerless legendary great man is our very own dear leader Comrade Kim Chong-il. He has mastered various magical arts [tosul] to freely control everything, including even secrets of nature [chongi] if he so determines, in Mt. Paektu in the early days. Thus, the events marking the 40th anniversary of war victory, which were pushed ahead under the condition in which Korea was determined, were decorated as a grand splendid festival.

The revolutionary legend "When Korea is determined, heaven works wonders" endows endless delight, joy and sense of confidence to all people, including old and young, and students. When the revolutionary legend is told, everyone is attracted to the story and cannot suppress their endless admiration and sense of trust in the legendary great man.

The revolutionary legend of the nineties, which extols the legendary great man with extraordinary wisdom, matchless power of determination and tested leadership, further consolidates our people's will and firm faith that endless prosperity of the fatherland and brilliant future of socialism lie on the road of following Korea's great determination. This revolutionary legend will be inherited forever, generation after generation, in the future.

KCNA Reviews 25 Aug Pyongyang Press

*SK2508054393 Pyongyang KCNA in English 0447
GMT 25 Aug 93*

[Press review]

[Text] Pyongyang, August 25 (KCNA)—Papers here today carry a photo-accompanied report that the great leader President Kim Il-song received secretary general of the Italian Institute of International Relations (IIIR) and that the general secretary presented a gift to President Kim Il-song.

Edited in the press are photo-illustrated reports that President Kim Il-song received the leading members and major actors and actresses of the visiting Chinese art troupe and appreciated the premiere of the art troupe and news that the art troupe presented a gift to him.

The dear leader Comrade Kim Chong-il was presented with gifts by the visiting Chinese art troupe and the secretary general of the IIIR, says the press.

Comrade Kim Chong-il sent a birthday table to Yi In-mo, former war correspondent of the Korean People's Army, who greeted his 76th birthday for the first time in 40 odd years in the socialist motherland, says NODONG SINMUN.

Papers report that Comrade Kim Chong-il sent thanks to the press organs, officials there and families who set examples in economic agitation for increased production of coal.

NODONG SINMUN carries an account of a seminar held by the Murewa, Zimbabwe group for the study of the chuche idea under the title "Respected Leader Comrade Kim Il-song of the Korean People Is the Lodestar of Korea's Liberation and Legendary Hero" on the occasion of the 48th anniversary of the liberation of the country.

Given in the paper is an account of a meeting to convey a congratulatory message of the Central Committee [C.C.] of the Workers' Party of Korea to the workers, officials and the three-revolution team members of the general bureau of eastern railways who performed feats in the electrification project of Yonggwang-Sasu Railway section in South Hamgyong Province and to open the electric railway line to traffic.

The paper comes out with an article headlined "Revolutionary Obligation and Comradeship Is Our People's Noble Trait."

MINJU CHOSON dedicates an article to the 65th anniversary of the formation of the Anti-Japanese Trade Union, the first working-class revolutionary mass organization in Korea, by President Kim Il-song.

Appearing in NODONG SINMUN is a political essay titled "Master of Revolution" saying that the Korean people, upholding the party, are living and working with firm determination to defend socialism as masters of the revolution and the country.

Taking much space of the paper are articles introducing the patriotic deeds of working people across the country to defend and glorify Korean-style socialism.

Papers dedicate articles to the 24th founding anniversary of the South Korean National Democratic Front (Hanminjon). The chief of the Hanminjon mission in Pyongyang was interviewed by a reporter, says the press.

Echoed in NODONG SINMUN are voices of South Korean people vowing to achieve the reunification of the country by the great unity of the whole nation.

The press reports that a representative of the International Association Against Torture called for abrogation of the "National Security Law" in South Korea and a university professor of South Korea accused the Japanese authorities of scheming to conceal the truth behind the "comfort women for the army" issue.

The U.S. imperialists and the South Korean puppets committed air and ground war games against the North, says the press.

Papers inform the readers that foreign political party leaders sent letters of solidarity to the chairman of the South side's headquarters for the promotion of the Fourth Pannational Rally.

According to NODONG SINMUN, the chairman of the C.C., Danish Communist Party (Marxist-Leninist) said the Korean people are permeated with the indomitable revolutionary spirit and firm fighting will and the Mozambican prime minister stressed Korean socialism is invincible.

Foreign newspapers denounced the report on the result of investigation into the "comfort women for the army" issue announced by the Japanese Government, says the press.

World news of the press includes reports that the Egyptian president referred to the solution of the Libyan crisis, the Zimbabwean president warned against the racist attitude of the white, the Indian prime minister laid stress on the importance of self-reliance and a spokesman for the Chinese Foreign Ministry rejected the western's interference in its internal affairs. [sentence as received]

"Genuine Freedom Can Never Be Expected in Capitalist Society" is the title of a NODONG SINMUN article.

The daily says that political conflict is getting worse in Russia.

South Korea

'Source' Confirms Pyongyang Coup Attempt in 1992

SK2508011893 Seoul YONHAP in English 0102 GMT
25 Aug 93

[Text] Beijing, Aug. 25 (YONHAP)—A coup d'etat against North Korean President Kim Il-song and his son and heir-designate, Kim Chong-il, in September last year failed when the plot was betrayed and the 18 army officers involved were executed, a source well versed in North Korean affairs said Wednesday.

Rumors of a coup attempt had spread in Pyongyang and other cities of North Korea in September, and the authorities had strongly denied them, he said.

A cabinet minister-level North Korean official recently told him, however, that the rumors were true, the source claimed.

The 18 army officers, including general-grade commanders of units stationed on the outskirts of Pyongyang, had planned to occupy the presidential palace and other important government buildings and arrest Kim and his son using troops under their command, he quoted the North Korean official as telling him.

But one of the officers betrayed his colleagues to the military authorities at the 11th hour and they were

immediately arrested and shot. The Judas was also shot to death because he had failed to report the plot earlier, the source said.

DPRK Envoy: IAEA To Visit Pyongyang for Talks

SK2508024093 Seoul YONHAP in English 0222 GMT 25 Aug 93

[Text] Tokyo, Aug. 25 (YONHAP)—A delegation from the International Atomic Energy Agency (IAEA) is expected to visit Pyongyang on Aug. 31 for talks on nuclear inspections, the NIHON KEIZAI SHIMBUN [Nikkei] has quoted an official at the North Korean Mission in Vienna as saying. The IAEA said there was no notification of talks by North Korea, according to the newspaper in its Tuesday editions.

The economic daily said the IAEA wants to resume talks in an early date, and it is highly possible the IAEA will follow a schedule set by North Korea. North Korea agreed with the United States in Geneva in July to resume talks on nuclear inspection with the IAEA. The Nikkei, however, was skeptical about the prospect of the talks dispelling suspicion on North Korea's development of nuclear weapons.

DPRK Envoy to Thailand To Speak on Nuclear Issue

SK2408124793 Seoul KBS-1 Radio Network in Korean 1100 GMT 24 Aug 93

[YONHAP from Bangkok]

[Text] North Korean Ambassador to Thailand Yi To-sop will speak on North Korean diplomatic policy and the nuclear issue at the Foreign Press Club in Bangkok on the evening of 25 August. In the speech, which he will deliver at the invitation of the Thai Foreign Press Club, Ambassador Yi To-sop will focus on the foreign policy North Korea is pursuing after the collapse of the former USSR; the nuclear issue, which is a matter of world concern; and North Korea's plan to induce foreign investments in its effort to break through economic difficulties, said a Foreign Press Club source.

North Korean Ambassador Yi To-sop, however, once announced that he would give a news conference at a board meeting of the Asian-Pacific Economic and Social Council of the United Nations [as heard] on 11 June to explain North Korea's declaration of withdrawal from the Nuclear Nonproliferation Treaty, and canceled it later.

The upcoming speech is becoming a matter of interest because he will be the first North Korean ambassador ever to have formal contacts with international journalists.

UN Command, Pyongyang Agree on MIA Team Creation

SK2508092193 Seoul YONHAP in English 0903 GMT 25 Aug 93

[Text] Seoul, Aug. 25 (YONHAP)—The United Nations Command [UNC] announced on Wednesday that it had agreed with North Korea to form a working-level team to resolve the issues of those soldiers listed as missing during the Korean war and returning the remains of U.N. Command personnel killed in the war.

The team is scheduled to meet shortly to discuss detailed schedules for the unearthing and returning of such remains in North Korea, it said.

The UNC side of the team will comprise officials from a Pentagon office in charge of war prisoners and MIA's, U.S. Joint Chiefs of Staff, the U.N. Command in Korea, the U.S. Forces Headquarters in Korea, U.S. Army Central Identification Office and the Institute for U.S. Army History, the announcement added.

Embassy Receives Yulgok Documents From U.S.

SK2508003993 Seoul YONHAP in English 0015 GMT 25 Aug 93

[Text] Washington, Aug. 24 (YONHAP)—The South Korean Embassy announced Tuesday that it has received a set of U.S. documents related to South Korea's military buildup program, known as the Yulgok project. An embassy official said, however, a major part are papers submitted to the U.S. Government by arms manufacturers seeking government approval for exports of military hardware to Korea.

The official thus hinted that the papers are of little value to the Board of Audit and Inspection in its investigation of possible irregularities in the process of making the government decision to switch the nation's next generation of fighter aircraft from McDonnell Douglas' F/A-18s to General Dynamics' F-16s. When the Seoul government asked Washington for cooperation in its investigation of the Yulgok project, it was not trying to obtain material evidence to prosecute "any particular persons," the official said.

The U.S. documents were sought not as part of the investigation but as reference documents, the official said, requesting anonymity. He said he believes the U.S. Government has extended "the maximum cooperation."

The U.S. State Department, meanwhile, said that the documents were handed to support the South Korean Government's investigation into the supply of military materials. The documents are all the U.S. Government could obtain and run to about 1,500 pages. They were handed to the Korean Embassy in accordance with U.S. laws and regulations, it said.

The State Department statement made no mention of whether the documents contained a "backstage contract" for the purchase of the fighter aircraft, in which the Seoul government is said to be keenly interested. A State Department official said investigation of a possible scandal is entirely "the South Korean problem."

BAI To Examine Documents

SK2508083193 Seoul YONHAP in English 0634 GMT 25 Aug 93

[Text] Seoul, Aug. 25 (YONHAP)—The U.S. State Department handed over all possible documents related to South Korea's Yulgok military modernization program on Tuesday, including 25 export permits, four foreign military sale documents and two General Accounting Office (GAO) reports on co-production of F-16 fighters, the head of the Foreign Ministry's American Affairs Bureau, Chang Chae-yong, said on Wednesday.

Among the export permits is information on U.S. manufacturers and their prices, co-production and technology transfer plans and delivery schedules, Chang said. He did not know if the two GAO reports include a congressional report on investigations into the suspicion over the change to the F-16 from the F/A-18 as the Korean Air Force's next-generation fighter raised by Rep. Richard Gephardt (D.-MO.).

Washington had said that four State Department officials collected the documents from four archives at the State and Defense Departments and the GAO during two weeks, Chang said. The documents will arrive by diplomatic pouch on Saturday and the ministry will immediately hand them to the Board of Audit and Inspection (BAI) for examination. The BAI examination will focus on how the contracts between the Korean Government and arms dealers differ from those between U.S. manufacturers and the same dealers.

Defense Ministry Punishes 55 Yulgok Officials

SK2508093193 Seoul YONHAP in English 0703 GMT 25 Aug 93

[Text] Seoul, Aug. 25 (YONHAP)—The Defense Ministry informed the Board of Audit and Inspection on Wednesday that it has punished 55 ministry officials in connection with the Yulgok military buildup project. Two were dismissed, including Assistant Minister Pak Ung, four were suspended, two were put on probation, 19 were warned and 27 were let off with marks on their records. The ministry transferred the case involving the 55th to the Central Disciplinary Committee of the Government Administration Ministry.

The ministry had set up a special committee to ensure fairness and objectivity in deciding the punishment, and committee members discussed the penalties several times. Those who committed simple errors were treated generously, but those who erred on purpose or for personal benefit and those who committed grave errors

were punished severely, a ministry spokesman said. The ministry set up a committee, headed by Vice Minister Yi Su-hyu, to improve the Yulgok project, the spokesman said.

Russian Deputy Prime Minister Continues Visit

Views Economic Ties With Seoul

SK2408213393 Seoul CHUNGANG ILBO in Korean 24 Aug 93 p 17

[News conference by Russian Deputy Prime Minister Aleksandr Shokhin with unidentified correspondents at the Taejon Expo's Russian Pavilion on 23 August—first paragraph is introduction]

[Text] Aleksandr Shokhin, Russian deputy prime minister in charge of external economic affairs and one of President Boris Yeltsin's closest, held a news conference at the Taejon Expo's Russian Pavilion on 23 August. During the press conference, he said that Russia intends to provide the ROK with state-of-the-art weapons to repay the principal of Korean loans.

[Correspondent] How do you foresee the prospect for ROK-Russia economic cooperation?

[Shokhin] The two sides should promote economic cooperation in various ways, such as joint investments, not only in ordinary fields but also in high-technology fields, including national defense, aviation, and space. I think it is desirable for the ROK to import high-technology from Russia in exchange of the export of electronic manufacturing technology to Russia.

[Correspondent] How has the plan to build the Far East industrial complex for ROK businesses been going?

[Shokhin] Russia intends to establish the Nakhodka free trade zone as an export base to make inroads for the Asian-Pacific region. I expect that the establishment of the ROK export industrial complex will further expand bilateral economic cooperation. Russia also has a deep interest in ROK businesses' participation in Siberian development projects such as the development of oil, gas, and forestry.

[Correspondent] The payment of the principal on the Korean loan has not been made. What is your opinion?

[Shokhin] I want to make clear that Russia cannot repay the loan on better terms than what the Paris Club has decided. The agreement was reached on the readjustment when President Yeltsin visited the ROK last November, was it not?

[Correspondent] There are rumors that Russia is trying to sell weapons to the ROK. Is it true?

[Shokhin] Russia has the intention of selling to the ROK high-technology weapons, such as Sukhoi and MiG fighter aircraft, and intercept missiles. The purchase of

Russian weapons will help Russia solve its loan repayment problem. However, I want to make clear that Russia has no intention whatsoever of selling weapons to countries that are branded as terrorist countries such as North Korea, Iran, Iraq, and Libya.

Seoul Negative on Arms Offer

SK2508003393 Seoul THE KOREA HERALD in
English 25 Aug 93 p 2

[Text] The government has reacted negatively to the Russian offer to provide weapons to Seoul to repay the principal and overdue interest on loans from South Korea, officials said. President Kim Yong-sam was quoted as telling the visiting Russian Deputy Prime Minister Aleksandr Shokhin yesterday that he would tell his officials to find the best solution after a full examination.

Foreign Minister Han Sung-chu, during the meeting, stressed the complexity of the issue, saying that it concerns the joint military strategy of Washington and Seoul. Han told Shokhin that the strategy aspect is more important in the purchase of weapons than their quality.

Both remarks are viewed as a virtual rejection of the Russian offer, officials said. Shokhin, now in Seoul in connection with the "Russia Day" events for '93 Taejon Expo, met Kim and Han during the day.

There, he suggested that he can offer Russian-made weapons including fighters and missiles to solve the loan repayment problem. He also said Moscow would study technology transfer in case Korea wants to buy a large quantity of weapons.

Foreign Ministry officials said Shokhin wanted to conclude an agreement with Seoul which is similar to that which Moscow has concluded with the Paris Club over questions of repayments of its loans. Seoul has provided \$1.47 billion in both commercial and tied loans to Russia and other former Soviet republics. The debts now amount to \$1.52 billion, including the overdue interest.

President Kim, in the meantime, asked Russia to allow Korean fishermen to resume fishing in the Okhotsk Sea as soon as possible, a Chongwadae spokesman said. Kim also hoped that Moscow hand over documents related to the Korean War (1950-1953) to Seoul even before his visit to Russia, said Yi Kyong-chae, the spokesman.

Russia turned over to Seoul a list of documents on the war when Foreign Minister Han visited Moscow early this year, saying that it would hand over the documents when President Kim visits Moscow. Kim told Shokhin that he may not be able to visit Moscow this year but will go there next year, Yi said. When asked to clarify Moscow's position on the downing of a Korean Air Line passenger plane by the Soviets in 1983, Shokhin said his government would react soon to Seoul's demand for compensation for the victims, the spokesman said.

Seoul Official Proposes Debt Scheme

SK2508022593 Seoul THE KOREA HERALD in
English 25 Aug 93 p 2

[Text] The Korean government yesterday asked Russia to provide details on its proposal to pay overdue interest on Korean loans with weapons, the Economic Planning Board (EPB) said. An EPB spokesman said Korean Deputy Prime Minister Yi Kyong-sik also proposed to his Russian counterpart Aleksandr Shokhin that Russia offset part of the \$89 million in overdue interest in the form of fees for Korea fishing in Russian waters and provision of up-to-date technologies. But the Russian deputy prime minister did not make any concrete response to Yi's proposal, saying only that the two sides should discuss the matter later, the spokesman said.

The spokesman said Shokhin repeated the Russian position that his government, being unable to offer aluminum ingots or other commodities that can be cashed easily, wants to provide military weapons to pay the interest. The EPB spokesman quoted Yi as telling Shokhin that he was not in a position to respond to the proposal but that the Korean government would be able to make a reply if Russia provides detailed information about the weapons it wants to offer.

During the hour-long meeting, the Russian deputy prime minister said his government was prepared to initiate government-level discussions on economic projects that had been agreed upon by the two countries' private sectors. Russia wants to hold a meeting of the Korean-Russian economic cooperation council at the earliest possible date, Shokhin was quoted as saying.

Yi responded, saying the Korean government hopes to hold the meeting in early December either in Seoul or Moscow, the spokesman said. EPB officials said Korean vessels should pay Russia \$40 million for every 100,000 tons of fish they catch in the Russian waters.

Maritime Consultation Meeting With PRC Ends

SK2508042193 Seoul THE KOREA HERALD in
English 25 Aug 93 p 8

[Text] China yesterday agreed to guarantee Korean shipping companies' business activities, including the establishment of branch offices, free loading and discharging of cargoes and the issuance of bills of landing. The communist country also agreed to cooperate with Korea to open the four car-ferry routes between the two countries, agreed earlier this year, before the end of 1993.

It was initially agreed to operate five car-ferry routes but after talks one route was dropped. These are the results from the first Korea-China Maritime Consultation Meeting which ended yesterday in Beijing.

The two-day talks were headed by Yom Tae-sop, administrator of the Korea Maritime and Port Administration (KMPA), and Liu Song Jin, Chinese vice minister of communications. The two sides also agreed to allow their

shipping companies to participate in bilateral container services on a free competition basis.

The two sides, however, shared the view that the same number of ships from the two countries should be put into service at the initial stage for the stabilization of sea trade. "It is very meaningful that Korean shipping firms can set up their branch offices in China, which has long been off-limits to Korea," said Kim Ha-chin, director of the International Relations Division of the KMPA. A new chapter has opened in bilateral maritime cooperation, he added.

The four car-ferry routes which China promised at the talks to open before the end of this year are between Inchon and Dalian, Inchon and Qingdao, Pusan and Yantai and Pusan and Shanghai. There are two existing car-ferry routes between Korea and China in the form of 50-50 joint ventures.

Weidong Ferry Co., a joint venture car-ferry service between Inchon and Weihai, started operating in September 1990 and Jinchon Shipping Co. launched its car-ferry service in December 1990 between Inchon and Tianjin. "There will be six car-ferry routes between the two countries, which is sure to accelerate the pace of personnel exchanges," the KMPA official said.

There are also two existing joint-venture shipping companies for container services on four routes between Korea and China. One is Sinokor Co., a joint-venture between Korea's Tongnama Shipping Co. and China's SinoTrans, Beijing. It initiated the container service in June 1989. The other is Coheung Shipping Co., a 50-50 joint venture between Korea's Hung-A Shipping Co. and China's COSCO. It began services in August 1991.

The KMPA announced the list of selected shipping companies or consortiums which can participate in joint venture car-ferry and container businesses with China on the initial five car-ferry routes and the two container cargo routes in April this year.

Majority of People Support Kim Yong-sam Policy

SK2408144793 Seoul CHOSON ILBO in Korean 24 Aug 93 p 2

[Excerpts] The majority of our people believe that the implementation of the real-name financial system will exert good influence on our economy. A considerable number of people, however, think that many problems will follow the real-name financial system and that the government's measures and follow-up actions are not satisfactory.

The results of a poll conducted jointly by CHOSON ILBO and Korea Gallup on 22 August on the political index pointed out to the question, "what influence will the real-name financial system exert on our economy?" 72.3 percent of respondents replied that "it will exert

beneficial influence," 8.1 percent "unfavorable influence," and 19.5 percent "I do not know." [passage omitted]

The questions and answers are as follows:

Question: What do you think is the problem our country should resolve most urgently above all?

Answer: Economic growth, 39.6 percent; stability of goods prices, 36.7 percent; the farms and fishery problem, 15.2 percent; political stability, 13.6 percent; traffic problem, 10.9 percent; eradication of corruption and irregularities, 9.3 percent; the issue of real estate including lands and houses, 8.9 percent; educational problem, 7.9 percent; gap between the rich and the poor, 7.4 percent; public security and crime, 7.3 percent; environment and public pollution, 7.1 percent; reform in people's mentality, 6.3 percent; reunification and diplomacy, 5.8 percent; social welfare, 4.1 percent; growth of small and medium enterprises, 3.5 percent; democratization, 1.6 percent; settlement of real-name financial system, 1.5 percent; others, 2.9 percent; and no reply, 2.6 percent.

Question: Do you think President Kim Yong-sam is carrying out national affairs, including political, foreign, economic, and social affairs, satisfactorily or unsatisfactorily?

Answer: He is doing satisfactorily, 79.2 percent; unsatisfactorily, 4.4 percent; passably, 8.6 percent; do not know, 7.8 percent.

Question (to those who replied that President Kim is doing satisfactorily): In which national affairs issue or domain do you think President Kim Yong-sam is doing satisfactorily? Please point out one specific domain or issue.

Answer: Eradication of corruption and irregularities (law enforcement), 46.6 percent; implementation of real-name financial system, 31.5 percent; opening of assets of public servants, 7.6 percent; economic policy, 4.1 percent; politics for common people (social welfare), 3.3 percent; steps for democratization, 1.7 percent; agricultural and fishery policies, 1.3 percent; lifting of various administrative restrictions and easing regulations, 0.8 percent; opening of Chongwadae [presidential offices] and Mt. Inwang and abolishing security-related secret houses, 0.5 percent; decision to abolish the Central Museum [former office building of Japanese governor-general], 0.2 percent; other issue, 1.4 percent; do not know and no reply, 1.2 percent.

Question (to those who replied President Kim Yong-sam is doing unsatisfactorily): In which national affairs issue do you think President Kim Yong-sam is doing unsatisfactorily? Please point out one specific issue.

Answer: Unsatisfactory settlement of agricultural and fishery problems, 25.4 percent; insufficient politics for the benefit of common people, 13.3 percent; insufficient eradication of corruption and irregularities, 13 percent;

excessive hastiness in reform drive, 10.3 percent; insufficient efforts to recover economy, 8.9 percent; implementation of real-name financial system, 7.4 percent; retaliatory politics, 5.9 percent; lukewarm policies toward the North, 4.4 percent; unstable goods prices, 4 percent; other issues, 4.4 percent; do not know and no reply, 3 percent.

Question: Do you think the implementation of real-name financial system will exert good influence on our economy or bad influence?

Answer: It will exert good influence, 72.3 percent; bad influence, 8.1 percent; 50-50 and do not know, 19.5 percent.

Question: Do you think there will be many problems following the implementation of real-name financial system or there will be no particular problems?

Answer: There will be many problems, 42 percent; no particular problems, 41.9 percent; difficult to predict, 16.1 percent.

Question: Did your standard of living become better or worse compared to that of six months ago or does it remain the same?

Answer: It became better, 12.1 percent; became worse, 16.6 percent; remained the same, 60 percent; do not know, 11.3 percent.

Question: There are the Democratic Liberal Party [DLP], Democratic Party [DP], National People's Party [NPP], New Korea Party [NKP], and the Party for New Politics [PNP] in our country at present. Which political party do you think can better lead our nation's politics?

Answer: The DLP, 48.3 percent; the DP, 16.0 percent; the NPP, 0.4 percent; the NKP, 0.2 percent; the PNP, 4.9 percent; other political parties, 1.5 percent; all parties are the same, 6.3 percent; there is no party agreeable to this question, 6.2 percent; no reply, 15.2 percent.

Article Examines President's Economic Reforms

SK2508093793 Seoul YONHAP in English 0611 GMT
25 Aug 93

[By Kim Myong-chol]

[Text] Seoul, Aug. 25 (YONHAP)—Korea has undergone as many economic reforms as political reforms in the six months since President Kim Yong-sam was sworn in. In his most recent action, Kim issued a decree requiring the use of real names in all financial transactions and took other measures to extirpate corruption and irregularities from within the business community. He has embarked on a five-year plan to develop the economy, preceded by a 100-day stimulation plan, that is intended to lift Korea to the level of the advanced economies by the end of his term.

On March 19, the president said his five-year plan will focus on sharpening the competitive edge of Korean products on world markets and pulling the economy out of recession in the first year. During his election campaign, Kim promised that he would be an economic president and protect industry from political meddling. Upon inauguration, he said that he would not receive even a penny in political funds from businessmen to cut off the collusive links between politicians and businessmen.

His emphasis on economic stimulation is clear from his activities at Chongwadae [presidential offices], where Kim has held more economic meetings in his first six months than any president before. The 100-day plan ended on June 30 after achieving less than was intended, but the blame largely goes to sluggish corporate investment and protracted labor disputes in the Hyundai Group.

With the economy still stuck in recession, Kim sent shock waves through the country on Aug. 12 with the introduction of the so-called real-name system. Its short-term negative effect on the financial markets and small businesses ran directly counter to the president's economic stimulation plan, and by implementing it with the economy in recession he ran a risk, experts say.

Real-name transactions were an election pledge and so they had to come sooner or later, but analysts say introducing them when the economy was weak was better than waiting for it to be strong because now the strong economy will be free from the influence of real-name transactions. Two past governments attempted in vain to require the use of real names, but gave up because of the enormous effect they were told it would have had on the economy and because of opposition from the wealthy.

Kim went ahead, however, because he believed that without it his reforms would fail. Using their real names in their financial transactions will keep businessmen from giving contributions to politicians and will drive out the corruption and irregularities related to collusive links between businessmen and politicians. All income from all financial transactions is taxable, except marginal profits in stock market trading. This is essential to Kim's reforms.

To reduce negative effects, such as the financial difficulties being experienced by small companies, and to stimulate corporate investment, the government has announced that it will start the Seoul-Pusan high-speed railway and Yongjong-to International Airport projects ahead of schedule. Kim has begun meeting business leaders to solicit their support for real-name transactions and the economic stimulus plan.

The stock market has recovered from the real-name shock, the real estate market was not affected and there haven't been runs on banks, perhaps signalling that the system is taking hold. The people absolutely support the government's anti-corruption and reform programs and

still hope the government will make the economy visibly better. Real-name transactions will bring economic justice much closer to reality in Korean society, so the government should concentrate national resources and energy on reviving the economy and lifting it to the level of the advanced economies on the basis of economic justice.

Kim: 'Stern' Punishment for 'Real-Name' Offenses

SK2508040493 Seoul YONHAP in English 0216 GMT 25 Aug 93

[Text] Seoul, Aug. 25 (YONHAP)—President Kim Yong-sam said Wednesday that the government will mete out the maximum legal punishment on any financial institution and its head and employees who try to block the real-name system. Kim cited Tong-A Investment and Finance Corp. as an example. Tong-A was found to have helped clients illegally convert their false-name accounts by manipulating computer records shortly after President Kim announced an emergency order requiring all financial transactions to be conducted under real names.

Kim promised stern legal punishment for violators of the real-name system at a meeting Wednesday morning with Governor of the Bank of Korea Kim Myong-ho and 35 top executives of banks, mutual trust companies and other financial institutions. "It is highly regrettable that an incident such as that at Tong-A occurred at a time when the nation is trying to settle the real-name system," Kim told the officials.

At first, the government thought of cancelling Tong-A's business license, but lowered the degree of punishment by one notch in consideration for its customers, the president said, according to Presidential Spokesman Yi Kyong-chae. The real purpose of the real-name system is to build a healthy economy, conduct clean politics, grant deserving rewards to those who work hard, and plant a correct sense of value in society, Kim said.

Kim expressed his confidence that the real-name system will succeed amid overwhelming support of the people. There are partial difficulties, especially among small businessmen, Kim said and urged the financial managers to do their utmost to help them.

Kim also asked them to educate the public and publicize the real-name system to the people, especially those in the financial sector, who were still uneasy about the new way even though the system is really taking root already. The government and financial institutions should help small- and medium-size businessmen by making funds available to them while trying to control consumer prices as Chusok, one of the country's most important holidays, is approaching.

Finance Ministry Suspends Firm's CD Business

SK2408005493 Seoul THE KOREA HERALD in English 24 Aug 93 p 8

[Text] The Ministry of Finance yesterday suspended the certificate of deposit (CD) business of Tong-A Investment and Finance Corp. for three months and recommended the dismissal of the company's president and managing director. The punitive action, also including combined fines of 14.5 million won and lighter disciplining of seven other company officials, came 10 days after the ministry first uncovered the irregularities of Tong-A, which manipulated computerized financial data to make the conversion of a client's false-name CD account into a real-name one as if it had been made before the Aug. 12 enforcement of the financial reform.

As soon as the report first came out on the illegal conversion, which was also accompanied by the remark of a Chongwadae [presidential offices] official hinting at the cancellation of Tong-A's business license, a mass deposit withdrawal followed, temporarily driving the scandal-ridden company near to default. Under the disciplinary measure, Tong-A will be barred from dealing and brokering CDs, the main fund-raising source for the short-term financing companies, ministry officials said.

Despite the subsequent intensive investigations, however, the ministry has not found other signs of irregularities, they added. Considering that Tong-A's case was the first violation of the presidential order on real-name financial transaction, the ministry took the heaviest punitive step allowed by law, the officials said. It also filed a complaint against six people related with Tong-A who decided on the illegal conversion.

Meanwhile, another short-term financing company, the Pusan-based Hangdo Investment and Finance Co. has been found to have helped a client retrieve a 57 million-won false name deposit retroactive to Aug. 12, immediately before the presidential broadcast, officials said. The ministry will take stern action against Hangdo after final results of the ongoing investigations come out, they said.

Arrest of Officers Ordered for Torturing Dissident

SK2408011093 Seoul THE KOREA TIMES in English 24 Aug 93 p 3

[Text] A Seoul Appellate Court judge ordered the arrest of four former police officers of the National Police Agency, indicted on suspicion of torturing Kim Kun-tae, a leading dissident, during their appeal trial yesterday. Senior Judge Kim Tae-hwan ordered the court arrest after he sentenced the four who belonged to the "anti-communist investigation squad" of the agency to serve jail terms ranging from one and half years to three years.

The four ex-police officers, including Kim Su-hyon, 59, were all convicted of violating the Law on Added Punishment of Specific Crimes and the Criminal Code. They

have been on trial without physical detention. The three others are Paek Nam-un, 58, Choe Sang-nam, 46, and Kim Yong-tu, 55.

In his verdict, Kim said that the court believed the fact that the victim was tortured, judging from the "testimony by the victim and witnesses which is detailed to an extent no one can describe without the experience of being tortured." The four defendants were prosecuted for torturing Kim Kun-tae, then chairman of Minchongnyon, or the Federation of Democratic Youth Association, 11 times in September 1985, and were given sentences of up to five years in jail from two years' imprisonment.

As the judge ordered their arrest with the sentences, they dropped their neck, apparently shocked, and their fellow police personnels also looked surprised at the court's stern measure [sentence as published]. The case will go to the Supreme Court, which will deliberate the law application of the lower court.

DLP Official Resigns From Chapter Head Position

SK2008124493 Seoul YONHAP in English 1215 GMT 20 Aug 93

[Text] Seoul, Aug. 20 (YONHAP)—Kim Man-che, chairman of the Seoul Kangnam-b district chapter of the ruling Democratic Liberal Party, resigned as chapter chairman on Friday. Kim was a finance minister under the Chon Tu-hwan administration.

In a letter of resignation sent to the Central Party through the Seoul city branch office of the party, Kim said he was resigning from the post for his personal reason [sentence as received]. A while ago Kim was criticized by the DLP leadership for his defense of the Chon Tu-hwan government's disintegration of the Kukje-icc [expansion unknown] group in the wake of the Constitutional Court's ruling late last month that the disbandment of the group was unconstitutional.

DLP 'Kept in the Dark' in Decisionmaking Process

SK2308005693 Seoul THE KOREA TIMES in English 23 Aug 93 p 2

[By staff correspondent Han Tong-su]

[Text] The Democratic Liberal Party [DLP] has been totally kept in the dark about decision making in connection with important policies since the inauguration of President Kim Yong-sam and junior lawmakers of the ruling party are airing discontent about the status of the party which has been reduced to a mere "rubber stamp." Key post holders of the party have been alienated from the decision making process in such important economic policies and national projects as the implementation of the mandatory real name financial transaction system

and the selection of the French TGV [train a grande vitesse] as Korea's future high-speed rail system.

The DLP has been kept busy preparing after-measures once Chongwadae [presidential offices] makes a decisions [as published] clandestinely and reveals them in bombshell announcements. DLP lawmakers, already cowed by the mandatory asset disclosure and a series of anti-corruption measures initiated by Chongwadae, apparently feel a sense of crisis in connection with their dwindling role in politics.

The alienation of the party from the center of politics is mainly attributed to the decision making methods of President Kim who apparently favors secrecy in consideration of possible discord anticipated when policies are leaked beforehand. President Kim also does not seem to fully trust DLP lawmakers, most of whom are remnants of the past authoritarian era and beneficiaries of the "money politics" of the earlier non-civilian governments. This can partly explain Kim's apparent reluctance to make full use of them in his ambitious reform drive.

DLP lawmakers seem to approve, though grudgingly, the necessity of the drastic measures often announced out of the blue. Yet they harbor misgivings about how far the Kim's reform campaign will go and what results it will bring about.

Many lawmakers argued that if the ruling party continues to be alienated by the government from important decision making and fails to engage in active policy debate, party politics, a prerequisite to a parliamentary democracy, will suffer a grave setback. They blamed the atrophy in party politics on chairman Kim Chong-pil and other party leaders who they said are easy-going and lack leadership.

A junior DLP lawmaker said, "There has been a check-and-balance between the government and the party in the past. But nowadays, the government is running alone. If this phenomenon is kept unchecked, the DLP will lose its raison d'etre."

The lawmaker insisting on anonymity complained that all the ruling party had done in the wake of the government announcement of the real name system enforcement was rubber-stamp the presidential decree. "Our policymakers have failed to come up with sound policy alternatives to minimize the adverse side-effects of the real name system," he said.

After the real name system was implemented, the DLP formed an ad hoc committee composed of such economic experts as Na Ung-pae, Yi Sung-yun, Kang Kyong-sik, Kim Chae-kyom and No In-hwan. Committee members got together for discussion several times. But their activities were kept secret as DLP chairman Kim Chong-pil imposed a news blackout on their activities in consideration of possible policy discord with the government.

Shortly after the real name system announcement, party policymakers asked the government to ease its virtual ban on real estate transactions, saying it would put a damper on the sagging economy. But the party backtracked quickly as the government took issue with the plan arguing that the measure may help trigger land speculation, the most likely undesirable side-effect of the real name system introduction.

Most DLP lawmakers are apparently displeased with chairman Kim Chong-pil's subservience to President Kim Yong-sam, the party president, in his recent meeting at Chongwadae held to discuss the real name system. For example, Kim likened President Kim to a noble swan, while downgrading himself and other DLP members present at the meeting as humble sparrows, quoting an ancient Chinese axiom. His remarks were mocked by the press and fellow lawmakers.

Secretary general Hwang Myong-su and chief policymaker Kim Chong-ho were also intent on currying favor with President Kim and chiming in with the government. In the executive council meeting last Friday, a couple of lawmakers took issue with the party's alienation from important decision making.

GNP Grows 3.8% During First Half of 1993

SK2408122393 Seoul YONHAP in English 1131 GMT 24 Aug 93

[Text] Seoul, Aug. 24 (YONHAP)—South Korea's economy grew mere 3.8 percent during the first half of this year due chiefly to sluggish domestic demand and facilities investment. The Bank of Korea reported on Tuesday that in the second quarter, GNP growth stood at 4.2 percent on a preliminary basis, up 0.8 percentage points over the first quarter when it was 3.4 percent.

The 3.8 percent growth was the lowest January-June expansion in 11 years since 1981 when its first half's growth was 2.5 percent influenced by the second oil shock. By sector in the second quarter, agriculture and mining recorded minus 1.0 and minus 9.1 percent growth, respectively, while manufacturing showed a rise of 2.2 percent compared with a 1.4 percent growth in the first quarter.

Of manufacturing, heavy and chemical industries grew 5.5 percent thanks to brisk exports of automobile, steel and machinery, whereas light industries recorded a minus 5.5 percent expansion affected by the sluggish exports of garments, shoes and toys. Construction showed a 2.7 percent growth thanks largely to the brisk construction of commercial structures, the central bank said.

Business Circles Seek To Enter Cable TV Industry

SK2408024893 Seoul THE KOREA TIMES (SUPPLEMENT) in English 24 Aug 93 p 3

[Text] Business circles are paying keen attention to the development of the cable television [CATV] industry with the finalization of legislation pertaining to the establishment of Korea's first CATV network which will open a new era in broadcasting here. According to the finalized bill, the cable system is scheduled to be ready to go by the end of this year, offering new opportunities to domestic media and information industries.

There remain, however, a number of problems in practical implementation, the most serious being the shortage of manpower and related high tech. The development of broadcasting apparatus as well as software for programming is also another gruelling task. The system which Korea is attempting to adopt is similar to those used in Japan and the United States, and will include news services, dramas, district and educational programs, pay channels such as MTV (Music Television) and HBO (Home Box Office), sports broadcasting and reruns.

The local demand for such services is expected to tremendous. In the case of the United States where CATV services began in the early 1960s, the subscription rate is more than 60 percent. The corresponding ratios are 41 percent for Germany, 19 percent for the United Kingdom and 18 percent for Japan.

The market size in the starting year of CATV broadcasting in Korea is estimated at 100 billion won. As seen in foreign examples, it is evident that the market will rapidly expand. As the opening of the CATV era in Korea is rapidly approaching, enterprises affiliated with business groups are embroiled in neck and neck battles in order to take part in supplying programs.

A recent report said that the government reached an agreement on granting licenses for supplying programs from the onset of this month. Ever since, such gigantic groups as Samsung, Hyundai, Daewoo, Sunkyoung, Tong-A and Jinro have jumped into the sizzling competition to secure their share of the CATV market in various ways.

Samsung has emerged as the leader in the battle so far as its three subsidiaries, namely, Samsung Corporation, Cheil Communication and Samsung Electronics, are heavily involved in the coveted market at present. Samsung Corporation, the trading arm of the Samsung Group, has experiences of supplying movies to the cable network of its sister enterprise Hotel Shilla.

In 1989, it started a home video business with a strong resolution that it would someday enter the CATV industry. Samsung is set to participate in the movie channels sector as it has already secured a franchise for over 1,500 domestic and foreign films.

The general trading company is recently stepping up efforts to win the right for program supply with U.S. film distributors such as Viacom and Warner Brothers. Cheil Communication has an eye on entering the educational documentary field. Two years ago, the company organized its "New Media" team. Since then, it has entered into a sole program supply agreement with Discovery of the United States. It has also concluded a similar contract with NBC, one of the big four American broadcasting companies.

Hyundai Group has made clear its attention to participate in the CATV market through its Seoul Production subsidiary. Seoul Production has already secured over 300 cartoon filmstrips and exchanged a memorandum of understanding with the Family Channel, an American home entertainment channel, on program supply.

The Tong-A Group plans to become involved in a movie channel through Tong-A Mastervision established in July last year with a capital of 4 billion won.

Early this year, Mastervision became qualified as a broadcast advertising agency. It is now exploring some ways to establish a program supply tie-up with HBO of the United States. The Jinro Group decided to enter the CATV market late last year. It now plans to start

business in the movie channel sector. Jinro has ready been supplying programs to the CATV network of the Lotte Hotel.

The Pacific Group is promoting the operation of a women's program channel such as "Lifetime of the United States through its ad agency Tongbang Advertising. The Daewoo Group has not yet finalized its plan to take part in the CATV arena but it has been in contact with three major American movie makers—MGM, 20th Century Fox and Columbia—with an eye on entrance into the CATV movie market. Greater efforts also have to be made to localize related high tech by sectoring out the industrial, academic and research fields for specialization purposes.

Core parts and components will also have to be locally developed as soon as possible to reduce production costs. Many business experts said that 50 CATV service stations will be set up across the country by next year with 15 companies engaging in programming work. According to them, the number of stations will increase to 130 by 1997 and that of companies to 28. The localization ratio is anticipated to increase from 15.7 percent next year to a relatively competitive level of 34.9 percent in 1997, they predicted.

Burma

Singapore Economic Group Leaves Rangoon 20 Aug

BK2108072193 Rangoon Radio Burma in Burmese 1330 GMT 20 Aug 93

[Excerpts] A high-level economic delegation led by Commodore Teo Chee Hean, minister of state for finance and communications of the Republic of Singapore and the leader of economic investment groups, accompanied by Brigadier General Abel, Burmese minister of national planning and economic development, left Yangon [Rangoon] in a special plane at 0815 yesterday and arrived in Mandalay at 1000. [passage omitted]

The Singapore minister and his delegation inspected the milk factory of Mandalay Division Cooperatives Syndicate, the Defense Services Cannery, the Beer and Liquor Distillery of Myanmar [Burma] Foodstuff Enterprise, and Myanansandaw Golden Palace. [passage omitted]

The Singapore delegation arrived in Pagan-Nyaung-u at 1600. [passage omitted] The delegation returned to Yangon by air at 1030 today.

The Singapore minister and his delegation left Yangon for Singapore at 1400 this afternoon by air. [passage omitted]

393 Refugees Return to Burma From Bangladesh

BK2108071393 Rangoon Radio Burma in Burmese 1330 GMT 20 Aug 93

[Text] In accordance with the coordinated agreement reached between the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by a camp official from the country on the other side transferred 393 returnees—180 males and 213 females—from 90 households to our Kanyinchaung reception center at 1030 yesterday. The returnees were ferried by 12 motorboats.

Panel Examines Reports on Draft Constitution

BK2408005493 Rangoon Radio Burma in Burmese 1330 GMT 23 Aug 93

[Text] Groups of delegates presented 22 reports containing a total of 962 pages at the plenary session of the National Convention, held from 9 to 14 August. The reports prescribe basic principles on which the fundamental principles of the state should be based in drafting the state constitution.

It has been learned that the Panel of Chairmen is continuing to scrutinize these reports in order to present a comprehensive analysis of these reports to the plenary session of the National Convention.

'Terrorist Insurgents' Surrender in Military Camps

BK2108070993 Rangoon Radio Burma in Burmese 1330 GMT 20 Aug 93

[Text] Terrorist insurgents who have come to realize their wrongdoing have been surrendering along with assorted weapons and ammunition at various military camps. The following surrenders took place between 16 and 31 July:

Northern Military Command: Privates La Daw and Thein Tun from the 255th Battalion of the Kachin terrorist insurgent organization surrendered at Tabakyang Garrison.

Southeast Military Command: Win San from the Karen terrorist insurgent organization surrendered along with one hand grenade at Bawingyi Garrison. Sergeant San Ko and Pvt. Maung Ko surrendered along with one M-16 automatic rifle and three hand grenades at Peinnedaw Garrison. Pvt. Win Shein from Manerplaw Camp surrendered at a local military unit in Thaton, and Pvt. San Win from the 10th Battalion surrendered at Palaw Garrison. Pvt. Aung Naing from the ABSDF [All Burma Students Democratic Front] surrendered with one AK-47 automatic rifle at Mannaing Garrison. Aung Baw of company commander rank and his wife Ma Nwe Nwe Yee from Moe Thee Zun's group surrendered at Kawthaung Garrison; while Pvt. Myat Soe from the 203d Battalion surrendered at a local military unit in Mergui.

Pvt. Maung Than and Maik Khe from the Mon insurgent organization surrendered at a local military unit in Thanbyuzayat. Pvt. Nyunt Naing, alias Naung Bya, from the BCP [Burma Communist Party] surrendered at a local military unit in Mergui; while Pvt. Kyaw Win surrendered at Palaw Garrison and Aung Moe, township secretary, surrendered with one boat and a Johnson motor, one M-16 automatic rifle, one AK-47 automatic rifle, one .45 pistol, and one walkie-talkie at Mergui Garrison.

Southern Military Command: Pvt. Nyunt Soe from the 8th Regiment of the Karen terrorist insurgent organization surrendered at Zayatkyi Garrison, while Pvts. Aye Zaw and Maung Win from Manerplaw Camp surrendered at Thanhmodaung Garrison.

Northeast Military Command: Pvt. Sein Nyunt from Kachin terrorist insurgent organization's 255th Battalion surrendered at Mu-se Garrison.

It has been learned that a total of 56 insurgents surrendered after giving up their armed struggle policy between 1 and 31 July.

Cambodia

Ranariddh, Hun Sen Leave for First Visit to SRV

BK2308060593 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 0430 GMT 23 Aug 93

[Text] At the invitation of His Excellency [H.E.] Vo Van Kiet, the head of the SRV Government, His Royal Highness [HRH] Prince Kromluong Norodom Ranariddh and H.E. Hun Sen, cochairmen of the Provisional National Government of Cambodia [PNGC], left at 0800 on 23 August as the heads of a delegation for a visit to the SRV by special plane No. 4,518-W Cambodia.

Seeing the delegation off at Pochentong Airport were H.E. Keat Chhon and H.E. Ung Phan, deputy prime ministers of the PNGC; H.E. Van Molivan and H.E. Ing Kiet, ministers of state; and several other ministers, deputy ministers, generals, and personalities of the PNGC as well as a number of UNTAC [UN Transitional Authority in Cambodia] officials.

H.E. Tran Huy Chuong, SRV ambassador to Cambodia, was also on hand to send off HRH Prince Kromluong and H.E. Hun Sen.

During their first visit to Vietnam, the co-prime ministers of the PNGC will discuss with the SRV Government issues concerning the common border, Vietnamese residents in Cambodia, and the strengthening of relations.

Foreign Minister Receives Japanese Official

BK2308063193 Phnom Penh AKP in French 0400 GMT 23 Aug 93

[Text] Phnom Penh, 23 Aug (AKP)—Prince Norodom Sirivut, Cambodian minister of foreign affairs and international cooperation, recently received in Phnom Penh Katsunari Suzuki, Japanese secretary general of the International Cooperation for Peace. Prince Sirivut sincerely thanked the Japanese Government for its active contribution to the search for peace and to the restoration of his war-ravaged country.

The two sides exchanged views on the current situation, especially on the foreign policy of the Provisional National Government of Cambodia (PNGC). Cambodia's chief diplomat congratulated the Japanese Government for its efforts in preparing an international conference on Cambodia's rehabilitation and reconstruction to be held in Paris.

In his answer, Suzuki said he was delighted to see peace, security, and stability restored in Cambodia following the formation of a new government. He expressed the determination of the Japanese Government to contribute to Cambodia's economic restoration.

Hun Sen Receives Chinese Trade Delegation 22 Aug

BK2408001393 Phnom Penh AKP in English 0356 GMT 24 Aug 93

[Text] Phnom Penh, Aug 24 (AKP)—Co-President of the Provisional National Government of Cambodia [PNGC] Hun Sen said here Sunday that: "Now, there is no any influence to change peace being reached in Cambodia." He told the visiting delegation of China National Machinery Import-Export Corporation (CMC) headed by its president, Mr. Kuo Kai Fu.

The co-president said: "Under the clear-sighted leadership of Prince Norodom Sihanouk, we have formulated a new constitution aimed at stabilizing the policy creating conditions to national reconstruction." The CMC, the fourth of 500 Chinese companies, has its own capital of 2,000 million U.S. dollars.

During talks with the Cambodian co-president, Luo Kai Fu, the CMC president raised a number of proposals relating to the company's investment in national reconstruction including repairing railways in Cambodia. The proposals have been agreed upon by the co-president.

Hun Sen has been elected as co-president of the Provisional National Government of Cambodia together with Prince Norodom Ranariddh in June after the U.N. supervised elections in May which the Cambodian People's Party and FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] won the majority in the elections.

Hun Sen also told Mr. Luo that Cambodia, at present, needs foreign investments, especially from China. On technological fields, he said the China's technology was suitable for Cambodians, adding that the Cambodian people wanted to use the Chinese products.

For the current cooperation between Cambodia and China, the co-president asked the CMC to study conditions for the Chinese assistance to Cambodia, including the studies of the textile factory in Kompong Cham, the jute-bag mill in Battambang, the cement factory in Kampot Province. During its four-day visit to Cambodia (Aug 22-25), the CMC has made its first study on the plan to repair the railway between Phnom Penh and Sihanoukville.

Royalists Reject New Constitution, Urge Monarchy

BK2408123893 Hong Kong AFP in English 1204 GMT 24 Aug 93

[Text] Phnom Penh, Aug 24 (AFP)—The royalist FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] party released a statement Tuesday rejecting the country's new constitution and calling for the restoration of the Cambodian monarchy. The statement means a possible deadlock in the constituent assembly when it meets

to ratify the document on September 10, because FUNCINPEC controls 58 seats of the 120 in the assembly and a two-thirds majority—or 80 seats—is needed to ratify it.

"History has shown that Cambodia's political stability depends upon Buddhist tenants and the king. The king is the basis of stability," the statement said.

The daily *Rasmei Kampuchea* (Light of Cambodia) reported that two drafts of the constitution will be presented to the assembly, one drafted by FUNCINPEC and based on Cambodia's 1947 constitution and the other drafted by a committee made up of members from FUNCINPEC and the formerly communist Cambodian People's Party (CPP). Unless changes are made to the draft, however, it has no chance of being ratified.

The constitution drafted by the committee and finished on August 17 is still being fine tuned, the report said. But it has been criticized by the U.N. Transitional Authority in Cambodia (UNTAC) for being vague and lacking specific references to the rights of ethnic minorities, especially ethnic Vietnamese Cambodians.

The draft outlines a parliamentary system where the head of state—sure to be Prince Norodom Sihanouk—is elected first by the assembly for a five-year term renewable by general election. It says the head of state has the power to appoint the prime minister, who is most likely to be his son Prince Norodom Ranariddh, currently head of FUNCINPEC and a co-premier sharing power with Hun Sen.

But in the FUNCINPEC statement, Prince Ranariddh said that "constituent members of the FUNCINPEC party decided together to ask for the adoption of a constitutional monarchy." "Cambodia needs to have a head of state who does not have his own political party, meaning a king. The king is the cement who can connect all the broken parts and build a bridge to connect one party with another party," it said.

The *Rasmei Kampuchea* quoted Chem Snguon, one of the senior members of the drafting committee from the CPP, as saying the two versions would be put before the assembly for the decision, but that neither was sufficient. "I am afraid our draft constitution is insufficient," the report quoted Chem Snguon as saying. "Neither constitution is good or bad, but if they (the assembly) decide to use the old one, it would not be good either because we have to change some parts to improve it."

Prince Ranariddh is due to travel to Pyongyang at the end of the month to present a draft of the constitution to his father before the assembly meets to ratify it on September 10. It is now unclear which one he will present, or if he will bring both.

Khmer Rouge Envoy Seeks Meeting With Sihanouk

BK2408010493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 23 Aug 93

[Text] According to a senior government official, a Khmer Rouge envoy has left Phnom Penh for North Korea to seek an audience with His Royal Highness [HRH] Prince Norodom Sihanouk, head of state. The source adds that the Khmer Rouge envoy, Chan Youran, wants to see the prince in order to settle a political problem.

The cochairmen of the Provisional National Government of Cambodia will travel to Pyongyang on 30 August to meet the prince as well.

HRH Prince Norodom Sihanouk, who is visiting North Korea and who will travel to China later, will return to Cambodia on 15 September.

Last week, the Khmer Rouge called for a multiparty meeting after suffering an offensive attack launched by government forces. The appeal was rejected by Cambodian leaders, however.

Referring to the Khmer Rouge, His Excellency Son Sann, chairman of the National Assembly—who just returned to Phnom Penh after receiving medical treatment in France—said that before entering the national community, the group should first lay down its arms.

Co-Prime Ministers Consider Khmer Rouge Inclusion

BK2108014993 Bangkok THE NATION in English 21 Aug 93 p A2

[Text] The Cambodian government plans to appoint the Khmer Rouge as advisers to its co-prime ministers if the Marxist group agrees to join the unified army without any pre-conditions and complies with the Paris Peace Agreement. "We are quite open to the Khmer Rouge's participation," said Prime Minister Prince Norodom Ranariddh on Wednesday.

Ranariddh said the Khmer Rouge must agree to a ceasefire and open their zones for the government. "The government will no longer tolerate such behaviour," he told a group of ASEAN academics.

The Khmer Rouge, which controls about 20 per cent of Cambodian territory especially in the northwestern part of Cambodia, did not participate in the election but asked to join the government as advisers. Ranariddh's comment came after Deputy Minister of Information Ek Sereyath said the Cambodian government has turned down the Khmer Rouge's call for a roundtable meeting for Aug 23-25.

Khmer Rouge leader Khieu Samphan yesterday renewed his call in Bangkok for a roundtable meeting. The Cambodian co-prime ministers are scheduled to visit

Vietnam from Aug 23-25. Sihanouk was the first to propose the idea of a roundtable meeting before he dropped because of pressure from the West. The prince later said the two co-prime ministers and the Khmer Rouge should hold the meeting to discuss the future government.

Co-Prime Minister Hun Sen also said to achieve the national reconciliation policy, for the time being the government will hold off the campaign for an international tribunal to try Khmer Rouge leaders responsible for the genocidal policy during their terror reign from 1975-78, the position which the Phnom Penh leader had been pursuing in the past.

Cambodia's latest move came after a meeting on Wednesday between US Senator Charles Robb of the Committee on Foreign Relations and the Joint Economic Committee and the co-prime ministers. Robb reportedly told them that the US would soon amend the legislation that barred aid to the Khmer Rouge so that future US aid could be used if the Cambodian government allows advisory roles to the radical faction, according to informed sources.

On Tuesday, the Khmer Rouge representative in Phnom Penh, Tep Khunal informed the government that they were willing to join the unified army without any pre-conditions under one commander and one uniform.

Both prime ministers also confirmed that the government's offensive in the northwestern Cambodia is aimed at seizing Khmer Rouge strongholds.

The government has not yet responded to the Khmer Rouge's new proposal but they have expressed readiness to welcome them if they follow the Paris Peace Agreement by agreeing to the ceasefire and surrender their zones.

Since the implementation of Paris Peace Agreement, the Khmer Rouge remains the only group that has failed to comply with the accord which calls for demobilization, ceasefire and participation in the election.

At the moment, the Khmer Rouge is the only faction outside the government. The remaining groups have joined the provisional government of Cambodia.

Ranariddh, Hun Sen View Banteay Meanchey Defense

BK2308143393 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 23 Aug 93

["Commendation of the cochairmen of the Provisional National Government of Cambodia, co-ministers of national defense, and co-commanders in chief of the Cambodian National Armed Forces to the fraternal officers and men of the Cambodian National Armed

Forces units in Banteay Meanchey Province"; dated 21 August—read by announcer]

[Text] The cochairmen of the Provisional National Government of Cambodia [PNGC], coministers of national defense, and co-commanders in chief of the Cambodian National Armed Forces [CNAF] are very happy to receive reports on the victories won by the officers and men of the CNAF units in Banteay Meanchey Province in their efforts to defend the nation, ensure the security, and provide protection for the people of Banteay Meanchey Province, particularly the recent victories in the Phnum Chhat-Thmar Puok region.

The cochairmen of the PNGC, co-ministers of national defense, and co-commanders in chief of the CNAF would like to extend their warmest commendation for the brave spirit and these brilliant feats achieved by the fraternal officers and men of our CNAF units.

The cochairmen of the PNGC, co-ministers of national defense, and co-commanders in chief of the CNAF would like to express their sympathies to the families of the brothers killed or wounded on the battlefield.

We would like to pay homage to the souls of the fallen brave brothers and wish those who were wounded a quick recovery so as to return to your families and units.

May the officers and men from all units taking part in this military campaign enjoy the five blessings of Lord Buddha—longevity, social prestige, happiness, strength, and enlightenment.

[Dated] Phnom Penh, 21 August 1993

[Signed] Five-Star Supreme General Prince Kromluong Norodom Ranariddh, Five-Star Supreme General His Excellency Hun Sen

Radio Reports Khmer Rouge Activities 15 Aug

BK2008145793 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1300 GMT 20 Aug 93

[Text] In Banteay Meanchey Province on 15 August, the Democratic Kampuchea forces used 60-mm guns to shell Cambodian National Armed Forces [CNAF] positions in an area northwest of Phnum Srok District, while another group of some 30 Khmer Rouge soldiers regrouped in an area northeast of the district. Also in the northeastern part of the province, Khmer Rouge elements from the 519th Division were preparing to attack the CNAF troops.

In Stung Treng Province, 13 small groups of Democratic Kampuchea forces were militarily active in setting up control posts along the Mekong River for the purpose of extorting money from passenger boats.

Results of 18-20 Aug Campaign at Phnum Chhat

BK2308150993 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 23 Aug 93

[Text] Sources in the Third Bureau of the Cambodian National Armed Forces [CNAF] reported that military attacks by Democratic Kampuchean forces in the past week decreased when compared to the previous week. Activities such as troop mobilization, ambushes, shellings, and intelligence work, however, increased in some areas, such as Kompong Speu, Kompong Chhnang, and Battambang Provinces.

The sources added that the decrease of the Democratic Kampuchean forces' military attacks and violations in the past week was caused by the CNAF's successive self-defense operations, which achieved splendid results and caused heavy defeats and losses to the Democratic Kampuchean forces, particularly in Kompong Thom and Banteay Meanchey Provinces.

The CNAF launched self-defense campaigns in Banteay Meanchey Province between 18 and 20 August and mopped up the Democratic Kampuchean forces from divisions 519, 320, and 450 in Phnum Chhat and Phnum Tra regions. They achieved immense victories.

The CNAF took full control of the two hills, namely Phnum Chhat and Phnum Tra in Banteay Meanchey Province, at 0630 on 20 August as a result of the 18-20 August campaigns. In the campaigns, the CNAF killed 13 Democratic Kampuchean troops, captured over 500 others, seized 2,390 assorted weapons—207 by the 11th Brigade, 109 by the 33d Brigade, 655 by the 2d Division, 986 by the 22d Division, 401 by the 33D Division, eight by 44th Division, 24 by the 55th Division—and burned down four arms and ammunition depots of the Democratic Kampuchean forces—three at Phnum Chhat and another at Phnum Tra. We also seized assorted ammunition, including 12.7-mm, 122-mm, 100-mm, and 76.2-mm artillery shells; two Chinese-made cars; a tractor; a bulldozer; a Toyota car; and two handle tractors. The CNAF lost five, who were killed, and 24 were wounded.

The sources also stressed that the CNAF are consolidating their defensive forces and arranging defense lines on the two hills.

Meanwhile, the Democratic Kampuchean forces moved their remaining troops onto Thai soil after the setbacks. These troops are heading toward Pailin area.

The Democratic Kampuchean forces in Kompong Thom Province fled to Anlung Veng after the CNAF seized control of areas such as Chhpung, Chambak Pannha, (Te), Kralanh, Ta Kream, and so forth. They also killed, wounded, or captured some Democratic Kampuchean forces and seized a large quantity of arms and ammunition.

Due to these subsequent defeats, the Democratic Kampuchean forces suffered a serious decline while the

CNAF has been able to expand and consolidate the spirit and will for self-defense as the genuine owners of the land and sea and defenders of the population and the Cambodian motherland.

Article Views Sihanouk's Role in Government

BK2408020793 Bangkok THE NATION in English 24 Aug 93 p A6

[Article by Kawi Chongkitthawon: "Prince Sihanouk and The New Constitution"]

[Text] Before leaving for Beijing and Pyongyang, Prince Norodom Sihanouk made a special request to the 18-member constitution drafting committee. He stated that as head of state, no one can dispose him including the newly elected assembly members. According to a member of the committee, Sihanouk does not want to see the repetition of what happened on March 18, 1970, when he was removed from office by his own National Assembly during a visit to the former Soviet Union. "One can say that the new constitution is very unique with regard to the role of Sihanouk," the member said.

During the meeting of Constituent Assembly members on June 14 they reinstated Sihanouk as head of state and ruled the 1970 coup by Gen Lon Nol as illegal. They also readopted the flag and national anthem of his previous reign. Most importantly, they also agreed unanimously that Sihanouk had been ruling Cambodia non-stop up until the present time.

The draft of the 103-articled Constitution will be presented to Sihanouk in Pyongyang by Cambodian co-presidents Prince Norodom Ranariddh and Hun Sen even before the rest of members of the Assembly have a chance to do so. The co-premiers presently in Vietnam on an official visit, will fly to the North Korean capital in a few days time to discuss the Constitution and Cabinet line-ups for the new government with the prince.

Part of the new draft was based on the 1947 Constitution which called for strong legislature and a perceived role for Sihanouk, like the president of France at that time. With virtues of liberal democracy, the 1993 constitution will incorporate broader principles relating to the respect of individual human rights in the country as well as the sensitive issue of ethnic minorities and immigration, including the issue a Vietnamese living in Cambodia. The new Constitution will also renounce racism.

According to a UN source, if the Constituent Assembly does not approve the draft Constitution, the fall-back position would be the 1947 Constitution. The head of state will be elected for five year-term by the Constituent Assembly and the Cabinet will be chosen and approved by the Assembly.

For post-war and post-election Cambodia, the provision on human rights is a necessity. It says that Cambodia, recognizes and respects human rights a stipulated in the

UN charter, the Universal Declaration of Human Rights and the UN Convention concerning human rights, women and children.

It is interesting to note that there are more 100,000 Cambodians who are members of the four local human right organizations. Right after the election Cambodia has expressed the desire to sign the Bill of Rights. In Southeast Asia, only the Philippines has signed all conventions and instruments related to human rights. However, Untac (United Nations Transitional Authority in Cambodia) suggested that Cambodia should take more time before the country attempts to sign the conventions.

The country should pay more attention on the economic well-being and stability inside the country first, said the UN body.

Last week, a representative of Funcinpec [National United Front For an Independent, Neutral, Peaceful and Cooperative Cambodia] Party asked the Thai embassy about details on the Thai Constitution regarding the role of the monarch. In Cambodia, Sihanouk as a constitutional monarch will have more power than the Thai monarch. The prince has a broad power to appoint and fire Cabinet members.

At the moment, it is not clear whether Cambodia would have one or two prime ministers, even though the Constitution states there shall be one prime minister after the permanent government is being established. One veteran Phnom Penh-based diplomat said that Sihanouk would like to see the current structure of the interim government remaining in the next few months until he is assured that the situation in Cambodia is somewhat settled.

The diplomat said Sihanouk had given up the idea to see Cambodia as a kingdom with an absolute monarchy. "Sihanouk wants a Cambodia that comes between a kingdom and a republic," the diplomat said.

There have been some criticisms from several members of the Constituent Assembly who were not consulted on the drafting of the Constitution. Many articles in the draft Constitution were formulated behind closed doors without any debate whatsoever.

Last week, the drafting committee decided to add on more article dealing with the question of nationalities inside Cambodia. Apart from the ethnic Vietnamese, there are Chinese Cham, Thai, Laos and other minorities living in various parts of Cambodia. At issue here is the fate of some 300,000 Vietnamese settlers, some of whom have been settled in Cambodia for decades. At the moment, more than a thousand Vietnamese fishermen are stranded at the banks of the Bassac river at Chrey Thom waiting for the Cambodian government's permission to return.

Co-president Hun Sen has said that the government would not allow them back because they are now working on a new immigration law, which will detail for

the first time the criteria and conditions for foreigners to become Cambodian citizens. The Ministry of Interior is currently working out the new legislation, which is expected to be complete soon.

All things considered, the new Cambodia that is going to emerge later next month will bear Sihanouk's style during his previous reign as monarch. What matters to Sihanouk is very simple: he sees himself as Cambodia's saviour—the true father of Cambodia—who has been trying to complete his work since his country's independence in 1953 regardless of what had happened in Cambodia during the past two decades when he was in exile.

Indonesia

Official: U.S. GSP To Observe Working Conditions

BK2408155293 Jakarta Radio Republik Indonesia Network in Indonesian 1500 GMT 24 Aug 93

[Text] Indonesia will give liberty to the U.S. GSP [Generalised System of Preferences] team to observe working condition in various industries. The liberty to be given, among other things, concerns the selection of industries which it plans to visit. The director general of manpower development and administration in the Manpower Department, Payaman Simanjuntak, stated this to newsmen in Jakarta in connection with the proposed visit by the U.S. GSP team to Indonesia next month.

He said the U.S. Government had previously threatened to withdraw GSP privileges because Indonesia did not focus its attention on its workers such as providing freedom to establish a union and also concerning the issue of low wages. According to Payaman, working conditions in Indonesia are different from those in the United States where its workers are at liberty to set up unions. He clarified that in Indonesia workers have the right to establish a union, but they are not forced to become a member of the Indonesian Workers Union, SPSI.

Minister: U.S. 'Informed' on Human Rights Stance

BK2408045793 Jakarta THE JAKARTA POST in English 11 Aug 93 p 1

[Text] The United States has already been informed of Indonesia's stand on human rights, Minister-State Secretary Mardiono said yesterday. Mardiono yesterday refused to comment directly on Washington's move to block Jordan's plan to sell its U.S. made jet fighters to Indonesia, but said that as far as human rights issues are concerned, Indonesia's position is clear.

A U.S. State Department official cited Jakarta's human rights record as the reason for the move to prevent the sale of the second-hand planes, according to reports from Washington. "The universal concepts of human rights

can be accepted by all nations. But the concrete realization of the concepts may differ and vary from one nation to another."

The implementation of human rights concepts in one country will very much depend on the historical background and the other social and cultural values prevailing there, he said. "We've explained our stance on human rights in Indonesia not only to the United States but also to other nations," he said.

Human rights implementation should not be based on a singular concept and perception, he said. "If it was only based on a fixed concept, there would be no way for it to be realized."

President Suharto at a meeting with his U.S. counterpart Bill Clinton in Tokyo last month also discussed at length human rights implementation in Indonesia, including in East Timor. Noted political observer Yuwono Sudarsono, meanwhile, said Indonesia must keep a cool head in responding to the American move regarding Jordan's planned sale of the fighters. "We have to stay calm and be patient and give a comprehensive explanation to the Americans," the ANTARA News Agency quoted Yuwono as saying yesterday.

The dean of the School of Social and Political Sciences at the Jakarta-based University of Indonesia (UI) made the remarks in Nusa Dua, Bali, where he was attending an international meeting on Indonesia, Asia-Pacific, and the New World Order. Yuwono said the move, which linked Washington's refusal to allow Jordan to sell its U.S.-made jet fighters to Indonesia to Jakarta's human rights record, should not come as a surprise. He described the move as part of a "tug of war" in which donor nations tend to link everything they consider as a violation of human rights in developing countries to the aid they are planning to provide those countries.

Yuwono cited incidents in Kedung Ombo, Central Java and in Dili, East Timor, both in 1991, and a recent spate of demonstrations staged by factory workers demanding higher wages in various towns in Indonesia as examples that could harm Indonesia's image in the eyes of donor countries. Yuwono said Washington should exercise introspection because cases of human rights violations also happen in the United States. "There are a lot of unresolved cases of civil as well as political rights violations in the United States," he said.

Many Americans are still living below the poverty line and many others have been jailed for years without due legal process simply because they have no money to hire lawyers, he said. Yuwono said the Americans have turned a blind eye and a deaf ear to such cases happening in their own country "because they are rich and they think they have every right to impose their own will and wishes on others."

Japan Extends Grant for West Java Research Center

BK1808135893 Jakarta Radio Republik Indonesia Network in Indonesian 1200 GMT 18 Aug 93

[Text] The Japanese Government has provided 24.858 billion rupiah in financial assistance for the establishment of a Japanese Studies Center, JSC, at the University of Indonesia in West Java. The document was signed in Jakarta today by Japanese Ambassador to Indonesia Kimio Fujita and Wisbur Luis, director general of foreign economic relations.

The establishment of the Japanese Studies Center is aimed at increasing Japanese postgraduate studies in Indonesia.

The signing of the document means that four technical cooperation projects between Japan and Indonesia have been implemented for the 1993-94 period. The three projects previously signed between the two countries include the construction of a new emergency ward at Dr. Utomo Hospital at a cost of 52.2 billion rupiah, the sewerage system in Yogyakarta at a cost of 7.1 billion rupiah, and a food increasing project amounting to 28.8 billion rupiah.

Official: Union Status Justifies Ban on Congress

BK2108122293 Jakarta THE JAKARTA POST in English 3 Aug 93 p 2

[Text] Jakarta (JP)—The Government defines the Serikat Buruh Sajahtera Indonesia (SBSI) as a non-governmental organization dealing with labor affairs, not as labor union.

"The government refused to give a recommendation for SBSI's congress scheduled to be held in Cisarua, West Java, last Thursday because it is not a labor union," the Director General of Industrial Relations and Supervision of Labor Standards, Payaman Simanjuntak, told THE JAKARTA POST yesterday.

He said further that the government does not recognize SBSI, known in English as the Prosperous Labor Union of Indonesia, as a labor union because it was established by non-governmental organizations and lawyers and not by workers themselves. "Its establishment is against the 1973 Labor Declaration which stipulates the fusion of a number of trade unions into one labor organization, which was called FBSI (the All Indonesian Workers' Federation) at the time."

"This is why the government also did not sanction the Serikat Buruh Merdeka (Free Solidarity Labor Union) led by human rights activist H.J.C. Princen," he said.

Payaman said that the two labor unions were also involved in politics instead of merely improving the welfare of workers.

Asked about his comment on SBSI's plan to sue the National Police and the home affairs and manpower

ministries for refusing to issue a permit for its planned congress, he said it was SBSI's right to do so and that the government would face the labor union in court.

The Chairman of SBSI Mokhtar Pakpahan said on Friday that he would sue the government for not informing his organization of the ban on the congress within a reasonable amount of time before the congress was to be held. The closing down of the congress less than an hour after it had opened caused extensive material losses for the labor union.

The police issued the ban for the congress just a few minutes before it was opened at Lembah Nyiur Hotel in the hilly resort town of Cisarua, around 100 kilometers southeast of here. The congress participants were informed of this decision only after the meeting had started.

Payaman hailed the National Police Force's decision to ban the congress because the organizing committee of the meeting "told a lie" about it.

He said the committee claimed that the congress would be opened by President Suharto and closed by Vice President Try Sutrisno.

"It was all a lie," he said. The government recognized the forerunner of the SPSI or the All Indonesian Workers Union, the FBSI, as the only trade union for all workers in the country in 1973, when a number of labor unions established by politicians were involved in political activities.

Many people and labor observers have frequently criticized SPSI and the government for its failure to improve protection for workers and for involving the Armed Forces (ABRI) in handling labor strikes, especially in the past three years.

Payaman said that the government would not object to the establishment a labor union besides the government backed-SPSI provided it was set up by the workers themselves.

Jakarta Concerned With 'Politically Militant' Unions

BK2108075293 Jakarta THE JAKARTA POST in English 2 Aug 93 p 4

[Editorial: "Unshackling Trade Unions"]

[Text] The Indonesian Government, apparently still worried about the risk of inflaming political instability and inciting security disturbances, like those triggered by the over-abundance of trade unions in the early 1960s, is not yet ready to unshackle the labor movement. Even though its present policy of allowing only one labor organization to represent all paid workers in the private sector violates the International Labor Organization's Convention No. 98, which guarantees workers' rights to organize and to collective bargaining, the government

has assessed the present situation as yet unable to support a completely free trade union environment.

As Coordinating Minister for Political and Security Affairs Susilo Sudarman reaffirmed on Thursday, the government will maintain its policy of recognizing only the All Indonesia Labor Union (SPSI) as the sole legal representative organization for workers in the private sector. This policy was fully reflected in the government's actions on Thursday, when it barred the independent trade union, the Prosperous Labor Union of Indonesia (SBSI), from holding its congress in Bogor, West Java.

The politicization of the labor movement and the functions of the plethora of trade unions which were affiliated with political parties in the early 1960s were indeed factors that contributed to rapid economic deterioration under the Sukarno administration. No wonder trade unions were banned immediately after the New Order government of President Suharto took over in 1967. A unified labor organization (FBSI) was set up under the government's initiative in 1973. It was replaced by SPSI in 1985.

However, now, more than 25 years after the upheaval, in part sparked by the politicized labor movement, most notably the trade union of the now-defunct communist party, and in view of the poor performance of the government-sponsored SPSI in protecting workers' interests, there are increasing demands that the government allow the development of new trade unions alternatives to SPSI. After all, the government ruled in 1985 that trade unions are social organizations which are required to register with the Ministry of Home Affairs, thereby minimizing the risk of the labor movement being exploited by political parties. SPSI, being overly-dependent on government funding, is often seen as excessively weak in its lobbying for workers' interests and appears more preoccupied with toeing the government line.

The government which is responsible for maintaining political stability and security—basic requirements for economic development—apparently does not want to see a highly militant and agitative trade union movement. The current wave of labor unrest a good example to encourage the freeing of the labor movement here. The problem, though, is that the workers' lobbying power is minimal and therefore they, as a collective whole, require a strong organization to represent their interests and to check the notoriously greedy behavior of powerful business people here. What is the use of development and investment programs if businessmen are free to rake in the profits at the expense of their employees, whom they are allowed to treat inhumanely all in the name of monetary gains. We should also realize that as the economy continues to expand, the number of paid workers will increase proportionally, eventually constituting the majority of the workforce which is now estimated at 75 million.

True, there are many regulations designed specifically to protect workers' interests. But when examining the experiences of the labor movement throughout the world it is apparent that regulations alone are not effective in protecting workers' rights and shielding them from their powerful employers' singular interests. Therefore, a strong, but not politically militant and agitative labor movement is still needed. Moreover, as the process of economic globalization accelerates, the solidarity of workers is also transcending national borders. In fact, workers' solidarity is now reflected in the consumer movements in several countries, which promote the boycotting of products from countries which do not protect their workers' rights. The U.S. Government, for example, is empowered by Congress to withdraw trade preferences for countries which do not recognize workers' rights.

We think, since the government considers the situation relatively precarious, and still not conducive to allowing a broader scope for the labor movement, it would be rather futile to argue further against that policy, at least for the time being. Nonetheless, we see it as imperative that the government make a concerted effort to strengthen SPSI so that it becomes truly representative of the workers' interests, otherwise its inordinate preoccupation with maintaining stability will become counter-productive.

The top priority items for strengthening SPSI would apparently include training future labor leaders in basic union activities like drawing up and negotiating collective bargaining agreements and the analysis of economic data. Only professional labor leaders, who understand the economics of the corporate business world, will be capable of responsibly exercising their organizational and collective bargaining power and balancing the interests of their membership with the sustainable development of the businesses that provide their livelihood.

Nonforceful Tactics Urged Against 'Fanaticism'

BK2108084593 Jakarta THE JAKARTA POST in English 4 Aug 93 p 4

[Editorial: "Fighting The Fanatics"]

[Text] Healthy human beings require not only physical sustenance, but spiritual enrichment as well. Many people seek out this spiritual nurturing in religious teachings. However, a deep and true understanding of the material they are studying and open-mindedness are needed. Otherwise the followers of a given religion may find themselves lost in the darkness of fanaticism, or at the least treating religious teachings as a tranquilizer. The less they understand the teachings the more fanatic they become.

Fanaticism is not only found in backward societies, but also in modern communities. Many people in more developed, stable societies seem to become bored by

their routine way of living and turn to existing spiritual values, or even create new ones themselves, whether they are logical or not.

In the West many prophets of internal peace have created cults, many of which have startled the people of other societies into asking why the complexity of modernization drives result in a kind of advanced societal illness? The Children of God and the People's Temple are prime examples of this tendency.

In Indonesia, fanaticism is mostly found among less educated people who believe that only their interpretations of religious teachings are valid. The most extreme groups of fanatics tend to isolate and close themselves off from the outside world. And almost of these people with excessively strong beliefs in their creeds are willing to die for them. So once these people create problems within society—or are believed to have done so—tactful steps should be taken to resolve the situation because it concerns a matter of conscience and faith.

The chairman of the Indonesian Ulema Council, K.H. Hasan Basri, has criticized the way the police dealt with the problem of a religious sect called Haur Koneng (local dialect for Yellow Bamboo) in a remote village of Majalengka regency, West Java, last week. The authorities said that the sect, which had been banned by the Attorney General's Office, was using Islam as a pretext for their activities, which included holding meetings without official permits.

They said the police raided a gathering of the followers at the sect headquarters, which is located in the middle of a rice field surrounded by hills, after they refused to communicate. The sect followers also stand accused of torturing local officials who tried to persuade them to stop their activities.

Reports also say that the followers, no more than 20 in number and mostly relatives, killed one police officer and seriously wounded others. The 27-year old sect leader, Abdul Manan, and two of his followers were killed.

The question now is: Could the tragic incident have been avoided?

Many spiritual groups have emerged here, some of them clearly based on syncretism, while others are founded on the monopolistic interpretations of religious teachings by the groups' leaders. The problem with the Haur Koneng cult, was that besides being considered heretical, it came to be branded as anti-government in its interactions with the authorities.

What is clear about all of these groups, is that they tend to isolate themselves because they crave a spiritual place closer to God and an inner peace that they do not find the outside world conducive to.

To handle such groups requires the virtue of patience and the wisdom of persuasion. In the case of Haur Koneng, we have heard nothing about any attempts on

the part of the authorities to send in experts on Islamic teachings to persuade its adherents to return to true religious teachings. Problems like those created by the emergence of this group of fanatics within a given community cannot be solved by branding its followers as aliran sesat, or a deviant sect.

Clearly, the authorities were aware of the contents of this group's radical teachings because they had banned them well before the incident. It seems only reasonable that a wait and see attitude with the monitoring of their activities, and attempts at persuasion be undertaken so that use of force could have been avoided.

\$2.1 Billion in Investments Licensed Jun-Jul

BK2408044793 Jakarta THE JAKARTA POST in English 10 Aug 93 p 9

[Text] Jakarta (JP)—The government licensed more than U.S. \$2.1 billion in new domestic and foreign investment commitments during the June 16-July 15 period, according to the latest monthly report of the Investment Coordinating Board (BKPM) here.

BKPM reported that \$826.9 million of the total was committed by foreign investors and the equivalent of \$1.3 billion (Rp. [rupiah] 2.72 trillion) by domestic business people.

The report also listed six domestic investment projects and four foreign ones that had their licenses revoked for failing to implement their projects.

Among the largest foreign investment projects licensed during the period under review were:

- \$400 million automobile plant in West Java sponsored by PT [Company Limited] Inda Uda Putra National Motor.
- \$112.5 million aromatic plant project in Aceh by PT Humpuss Aromatic.
- \$75 million cold-rolled steel-flooring plant project in West Java by Essar Dhanan Jaya.
- \$37.7 million coconut plantation and oil refinery in W. Sumatera by PT Amp Plantation.
- \$30 million office building project in Jakarta by PT Unggul Indah Corp.
- \$28 million oil-palm estate and oil-refinery project in W. Sumatera by PT Gersindo Minang Plantation.
- \$14.6 million hotel project in Riau by PT Pacific International.
- \$10.1 million textile weaving, printing, and embroidery plant project in W. Java by PT Nada Halona Corp.
- \$9.2 million plastic sheeting and goods plant project in C. Java by PT Indonesia Nanya Indah Plastics Corp.

Among the largest domestic investment projects licensed during the period under review were:

- Rp. 1.18 trillion (\$566 million) polypropylene and polyethylene plant project of PT Pusaka Warna Polypilena in W. Java.
- Rp. 530 billion office building project of PT Danamon Land in Jakarta.
- Rp. 74 billion industrial estate project of PT Cidurian Srana Niaga in W. Java.
- Rp. 58.5 billion hotel project of PT Guntur Madu Utama in Jakarta.
- Rp. 51 billion hotel project of PT Putra Majesindo Lestari in N. Sumatera.
- Rp. 50.3 billion plastic furniture, household-utensil plant project of PT Maspion.
- Rp. 48.8 billion hotel project of PT Plaza Puri Mas Hotel in E. Java.
- Rp. 46.7 billion cable plant project of PT Sucaco.

Laos

Delegation Holds Talks With French Trade Group

BK2208124993 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 21 Aug 93

[Text] A delegation of the Lao National Council of Trade and Industry led by Bounlat Kivanitsavong, first deputy chairman of the council, held initial talks with a delegation of the French (?Railway) Trade and Industry Council led by (Arnold Delacroix), chairman of the committee [name of committee indistinct] attached to the (?Railway) Trade and Industry Council. The French delegation is currently on a visit to the Lao People's Democratic Republic [LPDR] at an invitation of the Lao National Council of Trade and Industry. It arrived in Laos on the morning of 19 August. The talks were held at the Lan Xang Hotel in the capital, Vientiane.

In the talks, the two sides exchanged views and informed each other of their experiences in carrying out their work in the recent past. They also discussed the possibility of increasingly expanding cooperation in the areas of trade and investment between the Lao and French trade councils. The two sides have agreed to cooperate in organizing and training technical cadres in the banking and accounting service and in services in other fields which are beneficial to business management and business services in the LPDR in the immediate future and on the long-term basis.

SRV Assembly Group Visits Southern Provinces

BK1708140193 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 17 Aug 93

[Text] At 0730 today, the high-level SRV National Assembly delegation headed by National Assembly Chairman Nong Duc Manh left for Champassak Province for a two-day visit to the southern provinces.

At 0900, the SRV National Assembly delegation arrived at the Pakse airport. After attending a welcoming ceremony at the airfield, they proceeded to Champassak District by helicopter and later visited Vat Phou ruins.

At 1100, the delegation left the ruins for a sight-seeing tour to Khonphapheng.

At 1400, Nong Duc Manh and his party left for Saravane Province to visit the Se Set hydroelectric dam and scenic Pak Lo.

At 1900, Thongvang Sihachak, governor of Saravane Province, will host a dinner party in honor of Nong Duc Manh and his party at a restaurant in the provincial town.

Trade Ministry Delegation Ends Visit to PRC

BK1708095393 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 17 Aug 93

[Text] The Ministry of Trade delegation of Laos completed its visit to the People's Republic of China's Yunnan Province on 14 August after spending a week drawing lessons and experiences in that country.

While in Yunnan, the delegation, led by Minister Sompadit Volasan, held consultations with the Yunnan Province delegation to review the implementation of bilateral cooperation. They also discussed ways to collect more information and further study the possibility of future cooperation in various fields.

First Agricultural Promotion Bank Opens 18 Aug

BK2408053093 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 24 Aug 93

[Text] An agricultural promotion bank has been set up in Laos. It is intended to serve the party's line and policy as well as the state's socioeconomic development plan. The main purpose of the bank is to promote the production of goods and food grains in rural areas in order to improve the people's living conditions. The aforesaid bank opened to the public on 18 August 1993. This is the first business bank ever established in Laos in accordance with the prime minister's decree No. 92/PM, dated 19 June 1993. The bank has more than 4.424 billion kips of circulating capital in the initial stage. It has branches in Vientiane and Bolikhamsai Provinces. Its head office is situated on Hengboun Road in the Haisok area, Chanthabouli District, Vientiane municipality.

Philippines**Plane Bearing Marcos Remains Denied Manila Landing**

HK2508020093 Manila DWIZ Voice of the Filipino People's Radio in Tagalog 2200 GMT 24 Aug 93

[Text] The plane bearing former First Lady Imelda Romualdez Marcos and the remains of former President Marcos will be denied landing rights should the former first lady insist on bringing the former president's corpse to Manila, instead of directly to Laoag on 7 September. Solicitor General Raul Goco made this confirmation after the former first lady threatened to bring the former president's remains to Manila. The solicitor general even went so far as to warn Mrs. Marcos that bringing the body of the former president to Manila was a violation of the agreement between the Marcoses and the government.

Ramos Seeks Improved Trade With PRC Province

HK2508025093 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0502 GMT 23 Aug 93

[Text] Today, President Fidel V. Ramos met with eleven PRC local officials from Guangdong Province, led by Guangdong Governor Wi Guan Yang [name and title as heard]. Vice Governor [title as heard] Guan Yang said that the visiting group told Ramos its intention to invest in the areas of marine products, cannery, and processing, as well as the construction business and the import of such agricultural products as bananas and coconut.

On the part of the government, Rizalino Navarro, Department of Trade and Industry secretary, said that Ramos and the Philippine Government have also expressed the desire to improve trade between Guangdong Province and Manila. Ramos particularly wants to boost the 100 million U.S. dollar trade between the two countries.

Meanwhile, Navarro added that Ramos was amazed at Guangdong's advancement, with its gross national product reaching 30 percent.

Armed Forces: 5000 Communists in Rizal, Metro Manila

HK2008131893 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 20 Aug 93

[Text] The Armed Forces of the Philippines Civil Relations Service [AFPCRS] has reported that an estimated 5,000 members of the communist movement are still active in Rizal Province and Metro Manila. Brigadier General Rene Dato, AFPCRS Chief, said that the rebels' loyalty is divided between the revisionist group of Filemon Lagman and the orthodox group of Jose Maria Sison, the Communist Party of the Philippines current chairman.

The Manila-Rizal Revolutionary Committee [MRRC] communist movement earlier expressed its desire to break away from the present communist movement's leadership. Dado added that the AFP has confirmed that Sison's group has formed a provisional organ to confront the breakaway MRRC in order to seize control from the rebels in the National Capital Region and Rizal. Dado added, however, that AFP believes that only about 10 to 15 percent of the original 5,000 communists in Rizal and Metro Manila support the pro-Sison provisional organ.

NPA Breakaway Group: Corrupt Officials To Be Killed

HK2508065493 Manila Manila Broadcasting Company DZRH in Tagalog 0900 GMT 24 Aug 93

[Text] The breakaway faction [from the New People's Army, NPA] of the Manila-Rizal Regional Party Committee [MRRPC] of the communist movement has announced its plans to assassinate police and military authorities who allegedly have been involved in illegal activities. The liquidation plot reportedly includes civilian government officials. In an exclusive DZRH interview by Louie Beltran, an MRRPC spokesman identified only as Comrade Popoy said the breakaway group will carefully choose its targets for assassination in order not to involve the innocent. Comrade Popoy is believed to be identified as Filemon Lagman, MRRPC secretary-general:

[Begin Comrade Popoy recording] We will make one thing sure: The ABB [Alex Boncayao Brigade] will choose its targets carefully. We will choose those who really are corrupt military and police personnel. [end recording]

Meanwhile, the communist movement said it will continue its peaceful campaign to correct wrongs in society. Comrade Popoy said they will center the campaign on changing the democratic process and letting the common good prevail. From the political angle, Comrade Popoy said they will oppose any politician, who will try to acquire a government post, if he is known to oppress his fellow man and does no good for the nation.

Comrade Popoy also said that the MRRPC breakaway group will not attempt to change its system of government despite amnesty offers. He added that the government's amnesty program will only destroy the peace process.

[Begin Comrade Popoy recording] I joined the movement because of my ideology. What is the relationship of the so-called amnesty by Ramos? This means nothing except that he is offering to let us surrender, be at peace, and forget what we are fighting for. [end recording]

Thailand

Official on Death of Spies in South, Network

BK2408014593 Bangkok THE NATION in English 24 Aug 93 p A1

[Text] At least 10 government agents were killed this year trying to infiltrate Muslim separatists and their cover broken by special units set up by the extremists to hunt them down, intelligence sources said yesterday. Information had dried up and the few agents still in place were in fear of their lives, the sources said.

Col Chaloechai Wirunphet, chief of staff of the Military Police and Civilian Task Force 43, admitted yesterday the southern army's intelligence network had failed. The unmasking of the informants had prevented the effective monitoring of the activities of the Pattani United Liberation Organization (PULO) and the Barisan Revolusi Nasional (BRN, or National Revolutionary Front).

The recent wave of terrorism had been the work local Muslim separatists acting under orders from their foreign masters, Chaloechai told THE NATION. "We admit the failure to gather intelligence recently," he said. "The failure was caused by the loss of over 10 of our informants. We planted them to monitor the movement of PULO and BRN separatists." The deaths of the informants had seriously affected the morale of officials in charge of intelligence gathering, he said.

A university student was killed and eight other people injured when gunmen ambushed a passenger train in Narathiwat's Rangae district early Sunday morning. Last week, two soldiers were killed and 12 wounded when an army engineering unit was ambushed in Yala's Muang district about 50 km northwest of yesterday's attack. That attack followed the burning of 35 government schools and a hand grenade attack on a Buddhist temple.

A senior military officer, who requested anonymity, told THE NATION most of the government's information sources had dried up. Agents had ceased providing information on the separatists and were in fear of their lives. He said the separatists had formed a special task force to unmask government informants. "We lack informants who can stay close to the separatists," the officer said. "Even the Special Branch of the Police Department lacks informants." The low compensation paid if informants were slain was also to blame. "Families receive only 15,000 Baht compensation if an informant is killed," he said.

Army Official: Kelantan Refuge for Separatists

BK2508020993 Bangkok THE NATION in English 25 Aug 93 pp A1, A2

[Text] About 10 unidentified men armed with assault rifles killed a man, who police sources say may have been

an army informant, and injured four family members in a raid on a remote village in Yala's Than To district last night, according to police.

The killing was the latest in a series of attacks carried out in the predominantly Muslim South in the past three weeks. It was not immediately clear however, if last night's raid is linked to the other attacks which have been blamed on separatists.

In an earlier development, Fourth Army Region Commander Kitti Rattanachaya said yesterday that the Malaysian state of Kelantan is the major refuge of Muslim separatist organizations whose members are being sheltered and trained in guerrilla warfare. "We know now that the main body of the (separatist) movement is in Kelantan State," Lt Gen Kitti said yesterday.

His statement marks the first time a senior Thai government official has publicly singled out Kelantan as the base for separatist organizations committing acts of terrorism in Muslim-dominated Thai provinces.

One of the those injured in last night's attack in Yala, the dead man's six-year-old son, was in critical condition. He was shot in the abdomen when the attackers sprayed the house with automatic gunfire.

The assailants, dressed in black, kicked Keow Kwanthong, 53, beat him with rifle butts and shot him to death before dragging his body away. The body was found a short distance from his house in Moo 3 of Soria village of Tambon Sirikhet. The attack, which took place at about 7 pm, led about 50 villagers to flee their homes.

Pol Maj Gen Anan Hemthanon, commander of Provincial Police Headquarters 12, said a squad of border patrol police commandoes were dispatched to track down the attackers.

Kitti was assigned by Prime Minister Chuan Likphai on Monday to coordinate anti-terrorist operations among the regional army, provincial authorities and local police in the southern provinces of Yala, Pattani and Narathiwat. As a result, the regional army displaced the Interior Ministry as the lead agency in the drive against terrorists in the South.

Kelantan—along with the states of Perlis, Kedah and Terengganu—was annexed to the then-British Malaya under a 1909 Anglo-Thai Treaty. The mostly Muslim territories had been part of Thailand. Kelantan is located opposite Pattani. Many people on both sides of the border are closely related.

The southern army commander asked the central government of Malaysia to reciprocate Thailand's help in putting an end to the decades-long insurgency in Malaysia by the Communist Party of Malaya (CPM).

"We have helped Malaysia solve the problem of insurgency by the CPM. And we have been given an assurance by the central government of Malaysia that it would help us track down separatist guerrillas," Kitti said.

He said he believed the terrorists responsible for the torching of 35 government schools, a grenade attack on a Buddhist temple, an ambush on an army engineering squad and an attack on a train have already fled across the border into Malaysia.

Kitti said those responsible for the spate of terrorist attacks in the southern provinces in the past three weeks were members of three splinter groups of separatist organizations, with a combined force of some 100 armed men.

Kitti said army intelligence officers and commandoes have been instructed to closely monitor the movement of sympathizers of the separatist guerrillas. He said most of the sympathizers are relatives of the rebels. "We plan to put a lot of pressure on the guerrillas and those who shelter them to isolate them from innocent civilians," he said.

In Hat Yai, police called an urgent meeting of entrepreneurs following rumours that terrorists were planning to sabotage major business centres and public places. The meeting between Songkhla police and about 100 business operators, held at a shopping centre, followed bomb hoaxes at the Hat Yai railway station and the Diana 2 shopping complex, said Pol Col Manot Khraiwong, a police chief in Songkhla. "There have been rumours. We are not being complacent," Manot said.

Police sources said rumours were spread among members of the Muslim community in the southern provinces that separatist guerrillas were planning a series of ambushes along the Yala-Betong road that cuts through mountainous terrain. According to the sources, Muslims were advised to travel only on buses and taxi cabs driven by Muslims to avoid being attacked.

Satellite Project With Asia Pacific Nations

BK2408074693 Bangkok Radio Thailand Network in English 0000 GMT 24 Aug 93

[Text] Seven Asian and Pacific countries have agreed in principle to join forces in a satellite development project. Thailand and China will also cooperate in a small satellite development project. Those countries include Japan, Indonesia, Pakistan, China, South Korea, India, and Thailand.

Suthi Aksonkitti, a member of the Space Activity Development Committee, says Thailand will hold a multilateral cooperation seminar in January 1994 on the use of satellites for space activity in Asia and Pacific. The seven-country cooperation agreement emphasizes space activity and technological development, the use of satellite technology including satellite dish, law on international space activity, financial cooperation on the issue, and the study on the setting up of the project.

At the same time, Thailand will cooperate with China in three projects for the space activity, including a joint

venture on the development of small satellite, a satellite project for natural disaster warning, and a communication satellite project.

Editorial Urges Chuan To Aid Investors in PRC

*BK2308092193 Bangkok NAEO NA in Thai 23 Aug 93
p 4*

[Editorial: "The Prosperous Dragon Land"]

[Text] The PRC economic growth rate is skyrocketing alarmingly. It has been predicted that the former sleeping dragon will awaken to replace Japan and become the world's leading economic power within the next decade. It is certain, however, that the economic development of the country with the largest population in the world still relies on a huge amount of foreign investment.

A group of Thai businessmen have invested in the PRC and been fairly successful. Their achievements have been recognized by the PRC Government. Prime Minister Chuan Likphai and his 200-member entourage of government officials and representatives of the private sector will pay an official visit to China from 25 August to 3 September. The visit should provide some opportunities for Thai businessmen to penetrate the PRC market, where tremendous buying power is lying dormant.

As for the government, it should not stop at occasionally leading businessmen to hold trade talks with the Chinese private sector. Necessary information on investment in China should also be provided to Thai investors. The Thai ambassador to that country can play an important role in this connection. Moreover, the government must consider helping Thai investors overcome obstacles and problems in foreign countries as its duty.

Several countries are making fortunes from investment and trade in this gigantic country. As a saying among zealous investors goes, if all 1.1 billion Chinese only spend 1 baht daily to buy a product, the producer of that product will earn 1.1 billion baht per day, or 33 billion baht per month, or 396 billion baht per year.

Suffice it to say that the official visit to the PRC by the prime minister and the businessmen is a golden opportunity to use the special conditions of the close relationship between the two countries to pave the way for further economic cooperation for the benefit of Thai investment in the PRC in the future.

Vietnam

Nong Duc Manh Concludes Laos Visit

BK1908154393 Hanoi VNA in English 1533 GMT 19 Aug 93

[Text] Hanoi VNA Aug 19—Speaker of the National Assembly Nong Duc Manh this morning paid a visit to

Khamtai Siphandon, chairman of the Lao Peoples Revolutionary Party Central Committee and prime minister, before ending his official visit to Laos.

Speaker Nong Duc Manh expressed his sincere thanks to Chairman Khamtai Siphandon for the solemn and fraternal reception. He informed the Laos party leaders of the home and foreign situation in Vietnam over recent years, its policy in the coming time, and the activities of the Vietnam National Assembly. Mr Nong Duc Manh also brought out the results of the official friendship visit to Laos of the high-level National Assembly delegation and highly valued the content of the talks between the two national assembly delegations, and expressed his belief that the relations between the two countries will be further developed, ever unshakeable and forever green.

President Khamtai Siphandon considered the Vietnamese National Assembly delegations visit as a great source of encouragement to the Lao party and people. He expressed his wish for further development of the special friendship between Vietnam and Laos.

In the afternoon, Speaker Nong Duc Manh and his party left Vientiane for home.

Border, Territorial Talks With China Previewed

BK2108063193 Hanoi VNA in English 0603 GMT 21 Aug 93

[Text] Hanoi VNA August 21—Vietnam and China will hold talks at government level later this month on border and territorial issues.

A spokeswoman for the Foreign Ministry said in Hanoi on Thursday that the Vietnamese delegation to the talks would be led by Deputy Foreign Minister Vu Khoan.

The talks, to open in Beijing on August 23, will be part of high-level arrangements in anticipation of Chinese Prime Minister Li Peng's Vietnam visit in early December 1992 [date as received], the spokeswoman added.

Vo Van Kiet Hosts Banquet for Cambodia's Leaders

BK2408031293 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 23 Aug 93

[Text] On the evening of 23 August, Prime Minister Vo Van Kiet and his wife held a banquet at the Presidential Palace in honor of the visiting Cambodian interim government delegation led by Prince Norodom Ranariddh and His Excellency Hun Sen.

Attending the banquet on the Cambodian side were the wives of Prince Norodom Ranariddh and His Excellency Hun Sen and members of the Cambodian delegation. On the Vietnamese side were Foreign Minister Nguyen Manh Cam; Le Xuan Trinh, minister attached to the Prime Minister's Office; and many other ministers and deputy ministers.

Le Duc Anh Meets Cambodian Leaders*BK2508023093 Hanoi VNA in English 1536 GMT 24 Aug 93*

[Text] Hanoi VNA August 24—President Le Duc Anh received here today the visiting co-premiers of the interim national government of Cambodia, Prince Norodom Ranariddh and Mr. Hun Sen, who arrived yesterday for a three-day official visit to Vietnam. Speaking on the occasion describing it as a new landmark in the traditional friendship between the two peoples. [sentence as received]

President Le Duc Anh spoke highly of the foreign policy of the interim national government of Cambodia. He reaffirmed Vietnam's stances of respecting independence, sovereignty and national right to self-determination of the Cambodian people, and said that Vietnam would work relentlessly to strengthen the durable friendship, neighbourliness and fraternal solidarity between the two peoples.

The Vietnamese leader expressed the Vietnamese people's deep sympathy with the Cambodian people who had suffered so much from war, and who were longing for peace and stability to rebuilt their country.

On this occasion, President Le Duc Anh asked the co-premiers to convey his best regard and his invitation for a Vietnam visit to Prince Norodom Sihanouk. The [words indistinct] people under the leadership of Prince Sihanouk success in building Cambodia into a peaceful, independent, neutral, non-aligned and prosperous country.

For his part, Prince Norodom Ranariddh conveyed Prince Sihanouk's greetings to President Le Duc Anh and thanked President Le Duc Anh himself and other Vietnamese leaders for their hospitality. Prince Ranariddh welcomed the achievements recorded by the Vietnamese people under the leadership of the Communist Party of Vietnam in the current renovation process and the implementation of its open-door foreign policy. He expressed his profound thanks to the Vietnamese Government for its active contributions to the process of peaceful settlement in Cambodia, and its full respect for, and strict observation of, the Paris agreement on Cambodia.

The reception took place in an atmosphere of cordiality and mutual understanding.

Foreign Minister Nguyen Manh Cam was also present at the reception.

This morning the Cambodian delegation led by Co-Premiers Prince Norodom Ranariddh and Mr Hun Sen paid a floral tribute to the late President Ho Chi Minh at his mausoleum.

Vo Van Kiet Attends Northern Development Meeting*BK2308142993 Hanoi VNA in English 1354 GMT 23 Aug 93*

[Text] Hanoi VNA August 23—The government has held in Hanoi a conference to discuss a plan for socio-economic development in the years 1994-1995 in 23 provinces and cities in north Vietnam.

It was chaired by Prime Minister Vo Van Kiet and Vice Premiers Phan Van Khai, Nguyen Khanh and Tran Duc Luong, and attended by the secretaries of the party organizations and chairmen of the people's committees of the provinces and cities.

The conference heard reports on the implementation of the socio-economic development plan and the state budget in 1991-93 period, and discussed the orientation of the socio-economic development in the years 1994-95 of northern provinces, and measures to implement the government's programme on renovation and socio-economic development in the countryside. Those northern provinces and cities accounts for 45 percent of natural area of the country and 47 percent of the total population.

Over the past three years, the northern provinces and cities achieved an annual GDP growth rate of 6 percent, but their growth rate in general is still slow, and below the national growth rate. For instance, the agricultural output value increased by 3.5 percent a year, but it is still one percent lower than the country's figure the industrial and handicraft output value was up by 4 percent, but 6.6 percent lower than that of the whole country the region achieved a per capital export value of only 20 us dollars per year as against 35 US dollars for the whole country. [sentence as received]

The conference discussed concrete measures to stabilize and make the most use of capital resources mainly for the upgrading and construction of infrastructural bases, reorganize state-owned businesses, and encourage the development of all economic sectors. The conference worked out a plan to train personnel for administrative and economic management and put forth a target of doubling the region's GDP growth rate in the next two years.

This conference was followed by the government's meetings in the same vein held for the Mekong River delta, eastern south Vietnam, central Vietnam and the central highlands provinces.

Deputy Prime Minister Receives Lao Guests*BK2308143793 Hanoi VNA in English 1408 GMT 23 Aug 93*

[Text] Hanoi VNA August 23—Phan Van Khai, Politburo member of the Central Committee of the Communist Party of Vietnam and deputy prime minister, today received a delegataion of the Lao committee in charge of

the construction of the Kaysone Phomvihan museum led by its president Sisana Sisane who is on a working visit to Vietnam.

Deputy Prime Minister Phan Van Khai who is also president of the Vietnam-Laos Cooperation Section, expressed the Vietnamese people's respects for Kaysone Phomvihan, the late general secretary of the Lao People's Revolutionary Party, a great friend of the Vietnamese people.

The Lao delegation has been in Vietnam since Aug. 17 for a ten-day visit made in the framework of the agreement on economic, cultural, scientific and technical cooperation between the two countries.

Phan Van Khai Receives Thai Bank Delegation

BK2408055393 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 21 Aug 93

[Text] On the afternoon of 20 August in Hanoi, Deputy Prime Minister Phan Van Khai received a delegation of the Central Bank of Thailand. The delegation, currently on a working visit to the Vietnam State Bank, is led by His Excellency Wichit Suphinit, governor of the Central Bank of Thailand. Also present was Vietnam State Bank Governor Cao Si Kiem.

On behalf of the delegation, His Excellency Wichit Suphinit thanked the Vietnamese Government for having created favorable conditions for the delegation to visit and work with the Vietnam State Bank. He also briefed the deputy prime minister on the results of talks on strengthening cooperation and exchanging professional experiences between central banks and commercial banks of the two countries, as well as on a number of draft plans on cooperation in the field of banking between the two countries.

Deputy Prime Minister Phan Van Khai welcomed the cooperation between the Central Bank of Thailand and the Vietnam State Bank, which has constantly contributed to promoting cooperation and joint ventures in the economic and social domains between the two countries. He also expressed the hope that this relationship will be expanded further, thus contributing effectively to the cooperation and friendship between Vietnam and Thailand.

Minister Chairs Community Education Conference

BK2108141993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 20 Aug 93

[Text] The Ministry of Interior recently held a conference in Thanh Hoa to exchange experiences on management tasks of and community education for those who have committed offences relating to social order and safety.

Comrade Bui Thien Ngo, minister of Interior, and Comrade Pham Van Kiet, vice chairman of the Vietnam

Fatherland Front Central Committee, chaired the conference. Among the attendants were representatives from 48 agencies in 18 provinces and cities, who were considered exemplary in the campaign to help educate people who commit social order and safety breaches. All contributions made by the representatives at the conference stressed that in the current complicated socioeconomic situation of the country, where crime rates and social ills were still on the rise, the effective management of and community education for people committing social order and safety offences constituted an important step in the implementation of Directive No. 135 issued by the government.

On behalf of the Ministry of Interior and the Vietnam Fatherland Front, Comrade Bui Thien Ngo and Comrade Pham Van Kiet praised the agencies and localities who had ably performed the above tasks. They also urged the agencies and localities to develop positive results and to exchange their experiences with others so as to better the nationwide campaign.

Bui Thien Ngo, Pham Van Kiet Attend

BK2408093593 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 21 Aug 93

[Text] The Ministry of Interior recently held a conference in Thanh Hoa Province to exchange experiences in regard to managing, assisting, and educating those who violate the rules of social order and safety. The conference was chaired jointly by Comrade Bui Thien Ngo, member of the party Central Committee and minister of interior, and Comrade Pham Van Kiet, vice chairman of the Vietnam Fatherland Front [VFF] Central Committee.

The reports, presented by various units, all pointed out that the tasks of managing, assisting, and educating these violators are of profound significance and demonstrate the humanitarian nature of our party and state, saying that these are specific tasks in furtherance of Council of Ministers Directive No. 135, which have been carried out with good results by Thanh Hoa Province.

On behalf of the Ministry of Interior and the VFF Central Committee, Comrades Bui Thien and Pham Van Kiet commended various units and localities for having performed these tasks satisfactorily. They also expressed hopes that these localities and units will develop their achievements and extensively disseminate their experiences to turn these tasks into a nationwide movement.

On this occasion, the Ministry of Interior and VFF Central Committee presented the National Security Order to five individuals and certificates, commendations, and other awards to units with outstanding achievements in the movement.

Le Phuoc Tho Directs Cadre-Related Work Symposium

BK2208072093 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 20 Aug 93

[Text] The party Central Committee's Organization Department recently held a symposium on cadre-related work in Hue City. Comrade Le Phuoc Tho, member of the Political Bureau, secretary of the party Central Committee, and director of the party Central Committee's Organization Department, attended and directed the symposium.

Attending the symposium were delegates from all provinces and cities throughout the country. In his opening speech, Comrade Le Phuoc Tho pointed out: The party Central Committee's Third Plenum Resolution has asserted that given the current situation, the cadre-related work is a burning and urgent issue of particularly important significance for the renovation undertaking. As Uncle Ho put it, cadres form the base of every task. The success of a project depends entirely on the quality of the cadres involved.

The symposium on cadre-related work this time focuses on such major issues as cadre evaluation, selection, and assignment criteria; cadre nomination or removal procedures; initial results of the training of reserve cadres in charge in provinces and cities; the organization of refresher courses for reserve cadres; internal political security protection; and special preparatory work for the upcoming mid-term conference of party delegates.

After being briefed by Comrade Le Huy Ngo and Comrade Nguyen Dinh Vuong on the above-mentioned issues, the participants held animated debates and set forth the orientations and tasks for the days ahead.

Dao Duy Tung Addresses Seminar on Marxism-Leninism

BK2008145993 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 19 Aug 93

[Text] The central steering council for the compilation of the national scientific curricula on Marxism-Leninism and Ho Chi Minh Thought held a seminar in Ho Chi Minh City 16-17 August.

The aim of the seminar was to ask veteran revolutionaries and theoretical scientific cadres, who are currently working in southern provinces, to contribute their views on the most fundamental and pressing issues concerning Marxism-Leninism in our times. This is part of the research in preparation for compiling the curricula.

Addressing the seminar, Comrade Dao Duy Tung, Political Bureau member and secretary of the party Central Committee, pointed out the importance of compiling the curricula to the renovation process and the future of the country.

Comrade Dang Xuan Ky read a report highlighting the process of development and improvement of Marxism-Leninism and Ho Chi Minh Thought in various stages of the international revolution and affirming the correctness of this ideological system for the Vietnamese revolution.

Many practical views in line with the progress of the country and the world were also contributed to the curricula by the delegates.

Prime Minister Sends Sympathy to Flood Victims

BK2208063893 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 20 Aug 93

[Text] According to a report from the Lao Cai Provincial People's Committee, a flash flood triggered by heavy downpours hit Lao Chai Hamlet of Ta Gia Xin Village in Sa Pa District on 16 August, causing the loss of lives and property.

On 20 August, Prime Minister Vo Van Kiet sent a message of condolences, expressing his sincere sympathy to the victims and their families. The prime minister instructed the chairmen of the Lao Cai Provincial People's Committee and the Sa Pa District People's Committee to promptly direct the search for missing people, assist local people so they can overcome the consequences arising from this natural disaster, repair damaged communications and farmland irrigation networks, and work out urgent measures to help local compatriots stabilize production and everyday activities.

Housing Construction Costs Rise 30 Percent

BK2408092693 Hong Kong AFP in English 0908 GMT 24 Aug 93

[Text] Ho Chi Minh City, Aug 24 (AFP)—The cost of housing construction has risen 30 percent in the past four months, driven by increases in the price of cement, steel and labor, a Ho Chi Minh City newspaper reported Tuesday.

The rapid rise has sparked a number of disputes between investors and building contractors accused of cutting corners or bailing out of projects before completing them, the Tuoi Tre (Youth) newspaper said.

Building a quality villa in Ho Chi Minh City now costs 1.5 to 2.0 million dong (150-200 dollars) per square meter, up by nearly one-third since April.

Overall, inflation in Vietnam is reportedly running at around 15 percent per year.

Private Enterprises Encouraged To Develop

BK2208065393 Hanoi VNA in English 0546 GMT 22 Aug 93

[Text] Hanoi VNA August [words indistinct] Private business enterprises in Vietnam are being encouraged to

develop under the Private Business Law and the Company Law which were promulgated in April 1991.

[Words indistinct] initial statistics by late 1992 some 2600 private businesses had been operating with a total registered capital of 1100 billion dong about more than 100 million US dollars. Over one-third of the businesses is limited liability companies and joint stock companies.

Leading the country in terms of the number of the operating private businesses are Hanoi, Ho Chi Minh City, Dong Nai Province and Haiphong City. Most of the private businesses operated in industry, transport and communications, construction, commerce, tourism and services.

In industry alone, the production of the private sector in 1992 accounted for 44 percent of the country's total industrial output value, thus providing jobs for about two million people with some 7 million dependants. In transport, 63.5 percent of the total volume of goods and 74.5 percent of passengers in the country were transported by private businesses, thus contributing to promoting the economic and cultural exchanges among localities. Besides, private businesses have undertaken all private construction projects in rural and urban areas. They have also taken part in the building of [word

indistinct] facilities. Three-fourths of the total retail goods are marketed by private traders. Many private cooperatives, companies and enterprises have directly participated in import and export activities, and achieved an export value of more than 200 million USD, accounting for 8 percent of the country's export value.

Also in 1992 private businesses contributed nearly 1700 billion dong (about 170 million USD) to the state budget.

Provinces Urged To Curb Timber, Scrap Metal Smuggling

BK2408055993 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 22 Aug 93

[Text] Recently, there have been serious cases of timber and scrap metal smuggling, especially in the central coastal provinces.

The prime minister of the government just instructed the central market management committee to strenuously urge various sectors and localities to rigorously inspect and control the coastal areas, especially sea ports and sensitive points, in the central provinces to prevent timber and scrap metal smuggling and to deal severely with all cases of violations according to the law.

Australia

Keating Discusses Redefining Commonwealth's Role

BK2008080493 Melbourne Radio Australia in English 0500 GMT 20 Aug 93

[Text] Australia's prime minister, Paul Keating, is reported to have warned that international trends could make the Commonwealth less relevant. In an article published by the Commonwealth Secretariat in London, Mr. Keating said the end of the Cold War, like the end of apartheid, had presented the grouping with the challenge of redefining its purpose. He said, in addition, the trend toward regional trade and economic groupings tended to render less relevant an organization such as the Commonwealth which was neither regional nor trade or politically oriented.

The prime minister's remarks come 2 months before the biennial Commonwealth summit in Cyprus which he will be attending for the first time.

'High Profile' Economic Missions to China, Indonesia

BK2408104093 Hong Kong AFP in English 0854 GMT 24 Aug 93

[Text] Canberra, Aug 24 (AFP)—Two high profile Australian missions will leave for China and Indonesia next month in a new effort to break into Asian trade markets, officials announced here Tuesday.

As a follow-up to Prime Minister Paul Keating's visit to China earlier this year, Trade Minister Peter Cook will lead 100 Australian business people to meet high ranking Chinese ministers and business officials from September 6-11.

Industry Minister Alan Griffith and 44 business representatives will go to Indonesia from September 14-17.

Griffiths said in a statement his Indonesian mission would concentrate on building trade and investment links in industries in which both countries showed strong interest.

"These include automotive components, shipbuilding, transport, power, waste management, environmental management, construction/engineering, textiles, clothing and footwear and aerospace," he said.

Firms involved in the Indonesian mission included Pacific Dunlop, BTR Nylex, Transfield, AWA and BHP Engineering.

"As well as discussions between representatives of these industries there will be a program of seminars on opportunities for cooperation in the development of industrial standards, civil engineering, environmental management and power/energy," Griffiths said.

Cook's visit, organized by the Foreign Affairs and Trade Department and the government's trade promotion arm Austrade, will concentrate on high technology areas where Australian firms could create niche markets.

Australian firms are already doing well in China, with several notable success stories, but Canberra is keen to help business cash in on the double-digit growth of China's southern and coastal provinces.

Cook's mission will meet several Chinese ministers in what is seen as a coup for the organisers.

Team of Experts To Study Malaria Problem in SRV

BK2408070893 Melbourne Radio Australia in English 0500 GMT 24 Aug 93

[Text] Australia is considering spending more than \$6.7 million [Australian dollars] to combat the growing threat of malaria in Vietnam. A team of experts today left Australia to undertake a feasibility study for a possible five-year project.

Australia's development cooperation minister, Gordon Bilney, says malaria affects more than 1 million people in Vietnam and causes about 5,000 deaths each year.

The proposed Australian project will increase the production of drugs, improve the treatment of patients, and step up measures to control mosquitoes.

Mr. Bilney says those people worst affected in Vietnam by the disease are the rural poor, often from ethnic minority groups.

Fiji

Antinuclear Group Protests U.S. Nuclear Submarine

BK2408065493 Melbourne Radio Australia in English 0500 GMT 24 Aug 93

[Text] There have been protests in Fiji over the visit of a nuclear-powered submarine from the United States. The protests were arranged by the Fiji Antinuclear Group, which noted that Fiji and other Pacific nations had signed a treaty declaring the region nuclear-free.

The group's president, Sitiveni Ratuva, said the presence of the submarine in Fiji waters posed a threat to the environment and the people. The visiting submarine is based at Pearl Harbor in Hawaii.

Rabuka Hints at Need for Foreign Investment

BK1808075493 Melbourne Radio Australia in English 0500 GMT 18 Aug 93

[Text] The prime minister of Fiji, Sitiveni Rabuka, says his country has one of the most developed economies in the South Pacific. Mr. Rabuka says Fiji has a well-educated population, good infrastructure and services,

good communications, and tax incentives for business. He says the country has great potential but needs foreign investment to secure a better standard of living.

New Zealand

'Surge of Imports' Leads to Increased Trade Deficit

*BK2408003893 Hong Kong AFP in English 0032 GMT
24 Aug 93*

[Text] Wellington, Aug 24 (AFP)—A surge of imports last month outpaced higher exports to leave a merchandise trade deficit of 133 million N.Z. dollars (73.6 million U.S. dollars), the Statistics Department said in a statement Tuesday.

That compares with a deficit of 23 million dollars (12.7 million dollars) in July last year and follows seven consecutive months of trade surpluses.

Compared with July last year exports were 1.7 percent higher at 1.5 billion dollars (861 million dollars), aided by steep rise in the value of wood exports.

But imports grew even faster, up 8.8 percent on July last year at 1.6 billion dollars (935 million dollars).

Excluding large one-off items like aircraft, last month's was the highest level of imports recorded.

Vanuatu

Deputy Premier: Coalition Agreement 'Still in Place'

*BK2408064693 Melbourne Radio Australia in English
0500 GMT 24 Aug 93*

[Text] There has been another development in the political uncertainty in Vanuatu. The deputy prime minister, Sethy Regenvanu, says the coalition agreement between

his National United Party [NUP] and the ruling Union of Moderate Parties [UMP] is still in place.

South Pacific correspondent Jemima Garrett says Mr. Regenvanu was one of four NUP members to stay with the government after most of the party withdrew from the coalition:

[Begin Garrett recording] Mr. Regenvanu says the National United Party's highest policy-making body, its Congress, has not passed any resolution endorsing a break with the UMP, and that as a result his four-member group holds the true party mandate.

The deputy prime minister told Radio Vanuatu the announcement of the end of the coalition yesterday by NUP leader Father Walter Lini was a mistake. He said the 20-month old coalition memorandum of understanding remained in place and he and his three colleagues would continue to honor it. Each of the three has gone on national radio, claiming their decision to stay with the government has the backing of their constituents.

Meanwhile, NUP Secretary General (Willy Reuben Abel) has contested Mr. Regenvanu's claims. He says the NUP Congress delegated the decision on continued participation in the coalition to the Lini-controlled national executive. [end recording]

Prime Minister Has 'Minor Surgery' in New Zealand

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[Text] Apia, Aug 17 (AFP)—Prime Minister Tofilau Eti Alesana underwent minor surgery on his prostate gland in Auckland, New Zealand, Finance Minister Tuilaepa Saileli said here Tuesday. He said the prime minister had the surgery Wednesday New Zealand time as he was due in New Zealand anyway following last week's South Pacific Forum in Nauru. Tuilaepa said the prime minister would rest for a couple of days before returning home.

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